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Social Security Bulletin

August 1941

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Special Articles

**Needs of the Aged in Relation to Need
Among Other Groups**

Vocational Training for Defense

**Experience in Appeals Under Old-Age
and Survivors Insurance**

**Relationship as a Problem in Old-Age
and Survivors Insurance**

**FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD**

WASHINGTON, D. C.

Volume 4

Number 8

FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD

WASHINGTON, D. C.

ARTHUR J. ALTMAYER, *Chairman*

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Social Security in Review

AUGUST 1941 marks the sixth anniversary of the enactment of the Social Security Act and the second anniversary of the adoption of the Social Security Act Amendments of 1939. Data presented in this issue of the Bulletin round out the record of 5 complete fiscal years of operations under the original act and of the first complete fiscal year under the major provisions of the 1939 amendments.

Of major importance in the development of the social security program during the last fiscal year has been the impact of the national defense effort. The full effects of the present emergency will be reflected in the operation of the program as a whole for many years to come. At present, however, its influence is most immediately evident in the operation of the employment security program. The effects of defense production on the labor market have resulted in sharp reduction in the amount of benefit payments and a striking increase in the volume of placement activities during the year. Unemployment benefits amounted to \$432 million in 1940-41, 10 percent below the amount for the previous year, even though more liberal benefit provisions were in effect in most States during the later period. Complete placements by public employment offices during the 12 months ended June 30, 1941, exceeded the total for the preceding fiscal year by more than 1 million, or approximately 30 percent.

The large increase in the volume of placement activities during the year reflects only one aspect of the important role played by the United States Employment Service and affiliated State agencies in supplying labor needs for the defense program. Effective performance of the placement function in the emergency has involved a wide range of activities, including establishment and maintenance of facilities for prompt collection, analysis, and reporting of current data on labor-market conditions, completion of periodic Nation-wide inventories of the available supply of labor in

occupations important to defense industries, an intensive special registration of workers available for defense jobs, cooperation with other Federal and State agencies in planning and coordinating efforts for the most effective utilization of available labor supplies, and many other essential services and functions.

One aspect of these activities is illustrated by the cooperation of the Bureau of Employment Security with other units of the Federal Security Agency and other Federal agencies in national defense training programs, which are described in a special article in this issue of the Bulletin. Another illustration is provided by the participation of the Bureau of Employment Security in the work of the Labor Supply Branch recently established in the Labor Division of the Office of Production Management. The chiefs of the United States Employment Service and Research and Statistics Divisions of the Bureau of Employment Security are among the 12 representatives of various Federal agencies designated to participate in this work. Twelve regional labor-supply committees composed of representatives of these agencies, as well as of labor and management groups, also have been established to integrate the defense field work of the various agencies. In each region the committee is under the chairmanship of the regional representative of the Bureau of Employment Security.

Expansion of industrial activity resulting from the national defense program brought about a substantial increase during the year in the volume of employment covered by the old-age and survivors insurance provisions of the Social Security Act. Fuller employment and, in some instances, higher wage rates were reflected in collections of Federal insurance contributions, which amounted to \$690.6 million in 1940-41, or 14 percent more than in 1939-40. Old-age and survivors insurance benefit payments, on the other hand, were substantially below the amounts which had been

anticipated, in part at least because of the enlargement of employment opportunities for older workers resulting from the defense program and consequent postponements of retirement.

Payments certified during the fiscal year amounted to \$70.2 million, of which \$57.5 million represented monthly primary, supplementary, and survivors' benefits. Lump-sum payments under the 1939 amendments and 1935 act accounted for the balance of \$12.7 million. Payments of monthly benefits and lump sums certified in June 1941 amounted to nearly \$7.6 million, as compared with less than \$3.3 million in June 1940 and \$5.6 million in December 1940. Monthly benefit payments were certified in June 1941 for about 341,000 beneficiaries, of whom nearly half were primary beneficiaries. Supplementary benefits to wives and children of primary beneficiaries accounted for a sixth of the number and more than a tenth of the amount of monthly payments in June, while survivors' benefits accounted for the remaining third of the number and 31 percent of the amount. Nearly two-thirds of the number and more than half the amount of survivors' monthly benefits represented payments to children of insured workers who had died.

Payments to recipients of old-age assistance, aid to dependent children, and aid to the blind in States with plans approved by the Social Security Board amounted to \$663 million for the fiscal year 1940-41, as compared with \$583 million for 1939-40. During the past fiscal year total payments under these programs have amounted to almost \$507 million for old-age assistance, \$142 million for aid to dependent children, and \$14 million for aid to the blind. Under all programs of these types in operation in the continental United States, payments were made for June 1941 to nearly 2.2 million recipients of old-age assistance, to 391,000 families caring for 942,000 dependent children, and to 74,000 recipients of aid to the blind, whereas in June 1936 such aid was provided for only 650,000 recipients of old-age assistance, 157,000 families with 383,000 dependent children, and 44,000 recipients of aid to the blind.

Payments to recipients of these three special types of public assistance during the entire fiscal year constituted 27 percent of the combined total of all types of public assistance payments and earnings under Federal work programs in the

continental United States, which together amounted to \$2.5 billion for the year, as compared with \$2.9 billion in 1939-40. It was estimated that during the last month of the fiscal year just ended, approximately 4.7 million different households, comprising 12.4 million individuals, received public assistance payments or Federal work-program earnings. The number of households was the lowest since October 1937, and the number of persons was the lowest since 1932.

RECOMMENDED NEXT STEPS in improvement and extension of the social security program were outlined before two congressional committees by the Chairman of the Social Security Board during July. Testifying before the Committee of the House of Representatives Investigating National Defense Migration, on July 18, and before the Senate Special Committee on Old-Age Security, on July 21, Mr. Altmeyer stressed the need for "comprehensive social protection" against hazards to economic security. Provision for such protection, he indicated, should include permanent total disability insurance, insurance against temporary wage loss caused by sickness, more nearly "adequate facilities for the prevention, diagnosis, and care of illness where these are now insufficient or lacking," Federal aid to States in financing general public assistance, and further strengthening of existing insurance and assistance provisions.

Specific changes in existing provisions recommended by the Chairman included extension of coverage under the old-age and survivors insurance program "to cover *all* persons who work for a living," and liberalization of benefits and eligibility requirements; extension of unemployment insurance protection to groups now excluded, and provision for more nearly adequate unemployment benefits; special Federal aid to States for public assistance, allocated according to the economic capacity of the State; requirement of simpler and more liberal tests of eligibility for public assistance, including liberalization of residence requirements, and provision for more liberal interpretation of needs; payment by the Federal Government of half the necessary administrative expenses of the States for old-age assistance; and participation by the Federal Government in financing expenditures by the States for medical care and medical services on behalf of persons receiving public assistance.

The Needs of the Aged in Relation to Need Among Other Groups

A. J. ALTMAYER*

THE PASSAGE of the Social Security Act was public recognition of the fact that the aged constitute a large and needy part of our dependent groups. It does not follow, however, that the aged persons still outside the provisions of the act constitute the largest or most needy group remaining in our dependent population. In considering what further legislation needs to be enacted, it is imperative that careful analysis be given to the present economic status of the aged in relation to other needy groups.

At the present time it is estimated that there are about 14.2 million persons aged 60 and over, of whom 9.2 million are aged 65 and over. While many of the aged still unprovided for are needy, it is frequently assumed that all aged persons are needy. As a matter of fact, many of the individuals with the highest incomes and the largest amounts of wealth or savings are to be found in the higher age groups.

Moreover, the 1940 census indicated that 3.7 million persons aged 60 and over were still employed in March of last year, and this number has probably increased to over 4 million at the present time.

In addition, at the present time more than three-fourths of a million individuals have been retired upon Federal pensions: 371,000 on veterans' allowances, 30,000 on military pay, 56,000 on civil-service retirement, the Foreign Service, Canal Zone, Alaska Railroad, Coast and Geodetic Survey, and the smaller Federal retirement systems, 145,000 on railroad retirement, and 220,000 on Federal old-age insurance benefits.

Approximately 50,000 persons have been retired on State pensions and 60,000 on municipal pensions. Private industrial pensions provide for 120,000 retired workers, trade-union pensions for 13,000, and other private pensions for an additional 40,000.

The number of aged with insurance and annuity

*Chairman, Social Security Board. Excerpt from the testimony of Mr. Altmeyer before the Senate Special Committee on Old-Age Security, July 21, 1941.

contracts in their own right is substantially in excess of one-half million, and this does not include approximately 250,000 with insurance who are living with relatives to whom the policies will be paid upon their death.

Altogether it has been estimated that about 1.7 million persons are retired on pensions or annuities. The number of persons in receipt of such pensions or annuities is constantly increasing.

Most of the persons still working or retired on pensions are men, and 1.5-1.7 million of them are married to wives aged 60 and over. This is a fact which is frequently forgotten. Oftentimes these women are considered as being dependent along with persons dependent upon charity or public aid. These persons, under our present economic system, should be considered as being in the same economic group as their husbands. It is also estimated that 20-25 percent of the aged have made some provision for their old age through savings. After making due allowance for overlapping with the groups mentioned above, it still appears that there are 8.5-9.5 million aged persons with independent means of support.

Of the remaining 5.0-5.5 million aged who are dependent upon resources other than their own, it is known that 2.2 million are recipients of public assistance, while an additional 800,000 are in institutions or in receipt of private or public aid. Figures on the remaining 2.0-2.5 million aged are uncertain. Some have miscellaneous means of subsistence or are dependent upon friends and relatives, approximately 190,000 are on the public assistance waiting lists, and others are undoubtedly in need of public assistance. It is this residual group which most needs consideration at the present time.

Another picture of the economic situation of the aged can be gotten from the family composition study made by the Social Security Board on the basis of information obtained in the National Health Survey, which was conducted by the United States Public Health Service in the winter of 1935-36. The income of some 520,000 house-

holds consisting of only one family indicated, for a 12-month period during 1934 to 1936, the following per capita incomes for persons of different ages:

Age	Amount
All ages.....	\$431
Under 16 years.....	287
16-24 years.....	371
25-44 years.....	486
45-59 years.....	564
60-64 years.....	627
65 years and over.....	601

The study shows that these persons aged 60-64, as a group, are members of families receiving the highest per capita income, followed by persons aged 65 and over. The families included in this analysis exclude aged persons who live with their married children.¹

There is, therefore, good reason for believing that the aged persons as a group receive more than an average share of the national income or that they are members of families securing more than an average share. In general, children stand out as the neediest element and the group for which the Social Security Act is doing less than for any other segment of the population, considering their relative needs.

Existing Unmet Needs of Other Dependent Groups

In addition to aged persons who are still in need, there are other needy groups in our population who require consideration. The dependent widow and child, the permanently disabled, the unemployed, the sick, and other unemployables deserve treatment equal to that accorded the needy aged. Therefore, available financial resources must be carefully apportioned with due regard to all unmet needs.

The Dependent Widow and Child

As I have already pointed out, the per capita income of families with children under 16 is lower than any other age group in the population. The White House Conference on Children in a Democracy reported to the President in 1940 that as many as two-thirds of the children in American cities live in homes where the family income is less

than sufficient for a "maintenance level of living." These children are our citizens of tomorrow and should receive adequate food, clothing, shelter, and other services necessary to proper development for their responsibilities as men and women.

It is estimated that at the present time there are 6 million widows in the United States of whom about 60 percent or 3.5 million are under the age of 65. Each year 400,000 women become widows. Each year 220,000 children under the age of 16 become orphans because of the death of their fathers.

At the present time there are probably 2 million children under the age of 18 who are fatherless. An additional 3 million children live in homes in which the father is absent for some reason. These 5 million fatherless children live in families with about 9 million additional related persons. These families are usually the neediest in the community. Frequently, there is no employable member in the household. Often the widow must seek employment to the neglect of the health and welfare of the children. The result is usually more costly to society in the long run. The estimate of 5 million fatherless children given above does not include children deprived of paternal support because of the mental or physical disability of the father when he is a member of the household.

More than 900,000 children are already receiving aid to dependent children under title IV of the Social Security Act. However, an additional 1.5 million children are in need of such aid and would be eligible for assistance under existing legislation if the funds were available. The average amount now paid per child is only about \$10 per month when allowance is made for the mother or other caretaker of the child. If the dependent child were to receive as much as the aged person at the present time the average payment would be doubled to about \$20. In other words, aid to dependent children could be more than doubled in terms of the number to be aided and then doubled again if assistance as adequate as that given the aged were to be given to needy children.

Unemployment

There is no need to review the experience of the last decade with respect to unemployment. We are still making large expenditures to combat

¹ For information on all families, which is similar, see Sanders, Barkey S., "Economic Status of the Aged in Urban Households," *Social Security Bulletin*, Vol. 3, No. 10 (October 1940), pp. 13-20.

unemployment through the Work Projects Administration, Civilian Conservation Corps, National Youth Administration, unemployment insurance, general relief, and other programs. What many people frequently forget, however, is that even in good times there are probably 2.0 million to 2.5 million persons unemployed. Even at peak performance, our present economic system seems to require that an average of at least that number of persons is unemployed because of seasonal factors, technological changes, inventory, repair of equipment, bankruptcy, and similar reasons.

At the present time our unemployment insurance benefits are inadequate. In many States the waiting period is much too long. Frequently an unemployed worker does not receive his first payment until the fifth or sixth week of unemployment. The amount of benefits is also inadequate. Payments in some cases have been as low as \$2 and \$3 per week. But the most significant inadequacy of the present laws is the very short duration of benefits. Last year over one-half of all workers receiving benefits in the United States were still unemployed when they exhausted all their benefit rights. In one State over 80 percent of the workers exhausted their benefits. In some States the maximum duration of benefits has been 2 or 3 weeks for some individuals. An individual may receive a few dollars per week for only a very few weeks after a 3-week waiting period and a further delay of 1 or 2 weeks for administrative reasons.

The amounts now paid are admittedly low in relation to the need. Unemployment benefits compare very unfavorably with workmen's compensation benefits, which are also not adequate in many respects. There is no doubt that the existing benefits must be made more nearly adequate if we are to achieve the objective of unemployment insurance as a real first line of defense in meeting the ever-present problem of unemployment.

At the present time unemployment insurance benefits are financed through a 3-percent pay-roll tax on employers. However, it is probable that in the long run 3 percent will be insufficient to pay adequate unemployment insurance benefits. We know that unemployment will again be with us when this emergency is over and when many readjustments will take place. It is not too soon to consider this problem and the cost and other aspects involved.

Temporary Disability and Medical Care

There is a striking paradox in our provisions for insurance against wage loss during unemployment: if a worker becomes ill during a spell of unemployment, his benefits stop, just at the time when he needs them most. Sickness is one of the most important causes of dependency. On an average day in the year 7 million persons are disabled. Social insurance can be applied to the problem of sickness as it already has been applied in the case of unemployment, old age, and death. Cash benefits to persons who are unemployed because of sickness should be made a counterpart of the cash benefits paid to persons who are unemployed because of business conditions.

Temporary disability benefits as generous as those under any of our State unemployment compensation systems could be provided at a cost which would probably amount to less than 1 percent of taxable pay rolls. Unfortunately, compensation for wage loss from nonindustrial disability would not completely solve the problem of those who are sick or temporarily disabled. Wage loss represents only about a third or fourth of the total cost of ill health to workers and their families. Our system of social insurance should furnish not only protection against the wage loss due to nonindustrial disability but also protection against the costs of medical care involved. A reasonably adequate system of medical care would cost between 4 percent and 5 percent of pay rolls, in addition to the 1 percent needed for temporary disability benefits, the 6 percent needed for old-age, survivors, and disability insurance, and the 3 percent needed for unemployment insurance.

In connection with the problem of medical care, it is significant that many men examined for military service have been rejected because of physical defects. The lack of proper medical care reaps a heavy toll in terms of our national security. Many of the defects of these men are remediable, and a concerted program of governmental action would repay many times the cost.

Permanent Disability

Permanent total disability is a major risk against which our present social security program provides no insurance protection. On an average day in the year, about 2.5 million persons are found to be suffering from disabilities that have lasted more than a year. Almost a third of these

are persons who, but for their disability, would be engaged in productive work.

A substantial proportion of the chronic disability prevalent today is merely premature old age, and the incidence of disability increases rapidly among the higher age groups. It is significant that, with the single exception of Spain, every other country in the world which has an old-age insurance program has also made provision for insurance against chronic or permanent total disability. Thus the United States is almost alone among the great nations of the world in insisting that a worker who becomes disabled at 50 or 60—from causes, in many cases, which are the same as those which impel us to provide retirement pensions—must wait until he reaches 65 to receive insurance benefits.

Protection against permanent total disability could be added to the protection now offered under our old-age and survivors insurance system. Such benefits would eventually cost \$500 million to \$1 billion a year. These are large sums, but the need exists and consideration must be given to meeting this need. The permanently disabled are perhaps the most unfortunate of the needy group. A sound system of social insurance providing benefits for the disabled would be both humanitarian and economical in the long run.

Goal of Comprehensive Insurance Protection

The two social insurance programs have just got under way. Remarkable progress has been made in a few short years in getting these programs established. Now we must take the necessary steps to strengthen and expand them. We have managed to cope effectively with the most difficult administrative problems involved in the first years of operation, and there now exists an administrative foundation in this country capable of supporting the task of a broader and more comprehensive social insurance system.

Our eventual goal should be the establishment of a well-rounded system of social insurance to provide at least a minimum security to individuals and their families deprived of a livelihood through unemployment, sickness, disability, old age, and death. In addition, we must provide a series of constructive social services to supplement the cash aids provided under social insurance.

Even though our social insurance programs provided protection against all the economic hazards

to which wage earners in general are subject, there would still be groups of the population for whom special public assistance, based on need, would be essential. It is for that reason that it is necessary to have a program of general relief to provide for those persons who are not cared for by other programs.

General Relief

The most conspicuous weakness in our present provisions for public assistance is the failure of the Federal Government to aid the States in meeting the costs of their residual relief burdens. There are wide variations in the extent to which the States provide for the needs of their aged, blind, and dependent children, but the disparities are even more pronounced in the case of assistance to needy persons who do not fall within any of these special categories.

About 5 million families are receiving some form of public aid. About a fourth of these families are dependent upon what has come to be known as general relief, which is financed for the most part out of local funds and in a few States by State funds as well. The average amount paid per family is only \$25 per month or only about \$8 per person. It is obvious, therefore, that this group is greatly in need of more adequate assistance. Since the average payment to the needy aged is more than \$20 per month, much remains to be done before this group attains the level of assistance to the aged.

More than half the families dependent on general relief do not include a person who is employable even under favorable employment conditions. Even with the general increase in employment which is anticipated during the next few years, the States and localities will still have a very large general relief burden.

The Federal Government should establish a system of grants-in-aid for general relief along the lines of those for the special types of public assistance. Such a system should not be regarded as a substitute for the Federal work programs. On the contrary, such a system should be helpful in making work programs more effective since it would reduce the necessity to distort work programs to meet the needs of persons who can best be cared for through direct assistance.

A system of Federal grants to the States for general relief would probably cost the Federal

Government initially \$200-\$300 million a year. During periods of depression this cost would probably be doubled or trebled. Since the persons on general relief are so inadequately cared for at the present time, it would appear that any available funds should be expended on their behalf.

Summary

In considering various proposals for aid to the aged and to other needy groups, consideration must be given to the existing situation with respect to the income received by others in the population. Frequent mention has been made concerning proposals to pay aged persons a flat rate per month regardless of need. The smallest amount usually proposed is \$30 a month, yet this amount is more than the monthly per capita income of the inhabitants of 13 States. These 13 States are: Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, and Tennessee. In other words, the payment of \$30 a month to some groups in the community would be more than the income of many other groups who receive their incomes from gainful employment. Moreover, there are 20 percent of the earners of this country who receive less than \$30 per month; this figure varies from 15 percent in the New England area to 30 percent in the Southern area. Under these circumstances any flat amount would be inequitable as between various individuals and as between various States.

Unfortunately, it must be recognized that at the present time our economic system cannot supply all the wants for all our people. The only way all of us can live better is under arrangements whereby our economic system will produce an increased amount of goods and services and will also provide the necessary income to buy those goods and services. There are many needs today which must be met. Each need must be balanced against other needs.

At present there are about 13 million persons in the United States still in receipt of some form of public relief. In addition, there are about 30 million persons in the low-income groups who are only a little better off than those who are dependent upon public aid. Thus, probably nearly 45 million persons are ill-housed, ill-clad, and ill-fed. Their incomes are so low that they cannot afford

to buy sufficient quantities of goods, the necessary clothing, medical services, or other needs.

In conclusion, I would like to restate the underlying purposes to be served by a program of payments to the aged and the considerations involved in carrying out these purposes. The first and obvious purpose—a purpose which requires emphasis because it is so often neglected—is to reduce the hazards of dependency in old age by providing to the aged a recurring stable source of income which would permit them to maintain a level of living on an assured and secure basis. Variations in amount of payment and insecurity in the receipt thereof tend not only to disrupt the lives of those dependent on such payments but also to offset in large measure the beneficial economic consequences which may be anticipated from a program of old-age protection.

The second purpose of such a program is to aid in achieving general economic stability and in enhancing employment opportunities. In whatever measure economic well-being of the Nation as a whole may be achieved through a program of protection of the aged, this purpose should be pursued. Essentially the welfare of the aged, as well as other groups of our population, is dependent upon the level of economic activity and of national income. In the long run, any proposals which may adversely affect the level of economic activity and of the national income will not be in the interest of the aged or any other group.

There are certain considerations, frequently overlooked, which are essential to any improved program for the aged. Perhaps the most important of these factors is the increasing number of aged and the anticipated rise in the proportions of aged in the total population. The population aged 65 and over, estimated at 9 million, or 6.8 percent of the population in 1940, is expected to rise to 11 million within a decade and to more than 22 million, or 14-16 percent of the total population, by 1980. The number of persons aged 60 and over is expected to increase from 14 million to 31 million in the next 40 years. Whatever mechanisms are adopted for the protection of those now aged must be adaptable to the problems of the future. Those entering their productive life at present require assurance that at the close of their working life, provision for their retirement will be no less adequate than that afforded the present aged.

The second consideration that is often overlooked is the fact that income levels and cost of living vary considerably from region to region and from urban to rural areas. No single fixed sum would provide similar real protection to the aged in the different sections of the country. While a given amount may be adequate to maintain prior levels of living in one region of the United States, it will be out of line in terms of prevailing income levels and cost of living in another, thus making this same sum inadequate to provide for the minimum basic needs in some areas and more than enough to meet the same minimum needs in other areas.

One reason for regional and individual differences arises from the fact that not all incomes can be measured in monetary terms. There are still large numbers of the population whose incomes are received partly in kind, and much income of

this type does not end suddenly with old age as do cash wages.

The present program gives full weight to both the essential factors just mentioned. The insurance program takes account of the growth in the aged population by developing rights to specified benefits through contributions from individuals in all age groups and by a system of financing designed to provide adequate funds to meet disbursements both in the immediate period and in the long-time future. Both the assistance and insurance programs take full account of regional and individual differences in need and apply objective yardsticks to measure these differences—in the case of old-age assistance by the locally devised and locally applied tests of need and in the case of old-age insurance by relating benefits to wage loss due to retirement from gainful employment.

Vocational Training For Defense*

ALMOST IMMEDIATELY following the initial announcement that the country was going to embark on a defense program came simultaneous demands for workers from all parts of the country and from a great variety of industries. Almost overnight, some communities which were experiencing widespread unemployment found their supplies of certain types of workers exhausted. The initial demand was not general, but rather directed mainly to occupations in the metal trades and other skills which are peculiar to armament production. Supplies of such workers are, even under favorable employment conditions, fairly limited. Because of the unstable character of the industries employing such workers, many had shifted from this type of work into other occupations.

The machine-tool industry, for example, a "prince and pauper" among the durable-goods industries, had not, except for the year 1937, operated at anywhere near capacity since the late 20's. The shipbuilding industry had been inactive for years, and shipbuilding workers had sought other outlets for their skills. The aircraft industry, even though expanding prior to the defense program, was producing relatively few planes, with a handful of workers. Ordnance had not been produced for years in any quantities, and workers equipped with the skills utilized in this industry had long since transferred to other industries. In other words, the very industries which were expected to make the greatest contribution in the way of defense materials were the ones in which supplies of labor were limited. Consequently, shortages of such workers as locksmiths, coppersmiths, instrument makers, all-around machinists, die makers, tool designers, ship fitters, ship riggers, and a host of aircraft occupations, were bound to occur almost from the outset of the program.

Under the circumstances, it was obvious that other means would have to be utilized in order to augment the supply of workers who might be obtained through ordinary recruitment processes. This was recognized in the action taken by Congress in June 1940, when it appropriated \$15 million, supplemented by \$60.5 million in October,

for a training program to be conducted under the supervision of the United States Office of Education. In July 1941 another appropriation of more than \$100 million was made to continue the program for a second year.

The present emergency does not allow time for the training of inexperienced workers as machinists, coppersmiths, boat builders, and ship fitters, for example, all of whom require a lengthy apprenticeship. Public vocational schools, however, are equipped to provide effective refresher training for large numbers of skilled workers whose skills had become rusty from disuse during the depression years. In addition, by giving supplementary training to employed workers to facilitate upgrading and pre-employment training to others, coupled with an extensive simplification of job skills that would relieve the pressure of demand for highly skilled workers, the training program provides workers who can step into the less skilled occupations. If this training can be given outside of the plants, interference with production may be avoided. Otherwise, the same kind of training might be given in the shops.

In a great many instances, the trainee emerging from the vocational education courses with a knowledge of blueprint reading, use of micrometers, and shop mathematics, is only less green than the greenest hand in the shop. He may be qualified to do no more than the most elementary of jobs around the plant, but even so, he is of much greater value to the employer and his production is speeded up at a considerably greater rate once he goes to work than if he entered the plant without any prior training. On the other hand, many trainees are fairly well equipped to perform simple jobs when they complete training in welding, riveting, or sheet-metal work.

The result of the training process is to convert large segments of our untrained labor reserve into workers with some skill. Skill-rusty workers have been returned to their skilled occupations and others have been retrained to do work for which there is a greater demand. Clerical and service workers, for example, have been trained for production jobs.

Training within industry has also been greatly stimulated by the shortage of labor. Plants have

*Prepared in the Division of Research and Statistics, Bureau of Employment Security. Regular monthly data on vocational training activities are inaugurated in this issue of the Bulletin (see pp. 52-53).

been giving training not only to new entrants and unskilled help, but also to their more experienced workers so that they might undertake more highly skilled jobs. While the numbers receiving in-service training may be less than those trained outside of plants, the importance of such training cannot be minimized. It is an integral part of any well-rounded training program.

In June 1941, nearly 2 million more workers were employed in manufacturing industries than a year earlier—one of the largest net gains in employment in this period on record. Prospects are that equal or greater gains are likely for the next 12 months. The demand for certain types of workers continues to outstrip by far the existing supplies. Reports from public employment offices in April 1941 indicated that shortages were exceptionally acute for most aircraft, metal-trades, and shipbuilding occupations. In May, 10,000 employers in a selected list of 26 defense industries reported to representatives of the State employment services that they would need a minimum of 478,000 additional workers. The aircraft industry alone itemized the need for 108,000 workers between May and October 1941 and shipbuilding concerns, exclusive of Government shipyards, evidenced requirements of at least 98,000 workers. Among the outstanding demands were those for 28,000 machinists, 10,500 engine-lathe operators, 11,000 aircraft sheet-metal workers, 12,000 arc welders, 9,800 floor assemblers, and 16,000 detail assemblers. Needs for many other occupations during this brief period extend into the thousands. With supplies already drastically reduced, training emerges as one possible solution to the problem of meeting these needs.

The Defense Vocational Training Program

While training during the World War period was conducted chiefly by industry through "vestibule schools" in plants, training in the present emergency has thus far been largely a public function. The need for training vast numbers of workers to make our defense program effective was translated into action through a congressional appropriation in June 1940 of \$15 million to open the public vocational schools for short summer courses in occupations essential to defense industries. When first planned, the courses were intended mainly to refresh the skills of unemployed

persons who had had previous training, work experience, or particular aptitudes and to give supplementary training to employed persons so that they might be equipped to assume more highly skilled jobs in defense industries.

In October 1940, the initial appropriation was supplemented by \$60.5 million, and the original program was expanded to a more comprehensive fourfold plan. This program provided for (a) continuation of the original pre-employment refresher and supplementary courses, (b) intensive full and part-time engineering courses, (c) training of out-of-school rural and nonrural youth, and (d) training of young people employed on work projects of the National Youth Administration. The original estimates made by the United States Office of Education of the number of persons to be trained during the fiscal year 1940-41 were: pre-employment refresher, 250,000; supplementary, 350,000; out-of-school rural and nonrural youth, 205,000; NYA enrollees, 100,000; and engineering, 100,000. Developments, however, proved these estimates to be too low.

The Government also expanded its Federal Committee on Apprenticeship in the Department of Labor and established a new Training Within Industry Division in the Office of Production Management to stimulate training by industry; their functions are discussed in detail elsewhere in this article.

The national defense vocational training program is financed by the Federal Government and administered by the United States Office of Education through the respective State boards for vocational education. On March 27, 1941, the Federal Security Administrator appointed Frank J. McSherry as Director of Defense Training, to direct and supervise both the training programs carried on by the Office of Education and the defense projects of the NYA.

Although vocational training is basically a function of the States, a State must nevertheless submit its plan for approval to the United States Commissioner of Education before it can qualify for funds to participate in the program. This provision does not apply to the engineering training program, which is solely an arrangement between the Office of Education and the cooperating engineering schools. All State and local defense training programs, with the exception of NYA work projects, are subject to inspection by

the Office of Education and also, more recently, by special agents attached to the staff of the Director of Defense Training.

Within the respective States, State boards for vocational education are responsible for the conduct of the program and, with the advice and counsel of advisory committees, determine and approve the courses to be given. The advisory committees exist at both the State and local levels and consist of an equal representation from labor and management groups, with occasional representation of agriculture in the out-of-school rural and nonrural youth program.

Representatives of other groups interested in the training programs are also included as consultants. These committees contribute materially to the success of the program, since they are generally composed of representative individuals acquainted with the problems and needs of a community or State.

In order to coordinate more effectively and efficiently the activities of the various participating agencies, State and local councils of administrators were recently established. These councils, on the State level, consist of one representative each designated by the State boards for vocational education, the State administrators of the NYA, and the State employment security agencies. The State councils are responsible for the establishment of similar councils with like representation and functions in each local community conducting defense training.

An even more recent development is the establishment of a Labor Supply Branch in the OPM Labor Division. This branch coordinates the activities of various governmental units associated with training and other phases of labor supply. Operating under the Labor Supply Branch are 12 regional labor-supply committees. The regional representatives of the Bureau of Employment Security act as the chairmen of these committees. Problems created by the demand for workers in the region are handled by these committees, frequently on an individual plant basis.

The following types of publicly conducted or financed training are available to persons wishing to prepare for employment in defense industries.

Pre-employment and supplementary training.—Pre-employment refresher training courses were originally intended to refresh the skills of men

who had not worked at their trades for a number of years. Because the supply of prospective trainees with skills requiring retraining is rapidly dwindling, these courses are gradually turning into courses for inexperienced youth. They are open to unemployed persons of employable age with previous training or work experience or with particular aptitudes which make possible rapid training for jobs in defense industries. All applicants must be selected from public employment office rolls.

To improve the private employment opportunities of Work Projects Administration workers, all of whom are registered with the employment offices, an arrangement has been made whereby, whenever possible, one-half of those selected are from WPA lists. Those chosen from WPA rolls are paid by that agency while being trained. The procedure, therefore, has developed into one whereby trainees are requisitioned by the vocational schools from the public employment offices and the WPA in equal proportions, the schools having the final word on whether the persons referred by these agencies are qualified for training. Classes generally run from 8 to 12 weeks but may vary according to the nature of the work for which training is being given or with the ability of the individual trainee to assimilate the instruction.

Supplementary training, another phase of the program, is directed primarily toward teaching employed workers additional skills which would qualify them for promotion to higher-grade jobs in defense industries. Enrollment is limited to persons employed in occupations essential to national defense. Supplementary training courses are initiated at the request of an employer or trade-union. This type of training is a boon to employers who anticipate a need for upgrading their workers because of scheduled employment expansion but do not have the facilities to conduct their own training courses. Also included as supplementary courses are classes conducted for army cooks, radio operators and mechanics, and other personnel of the armed forces.

Three new fields of training activity were opened by the supplementary appropriation of October 1940 and included:

Training of NYA youth.—This field is restricted to young people employed on NYA work projects. Until recently, vocational training was offered for any occupation requested by NYA authorities,

and no distinction was drawn between defense and other occupations. Since inauguration of a more intensive training program on July 1, 1941, the NYA distinguishes between its defense and non-defense work projects. Related training for the defense projects is now restricted to the occupations approved by the OPM as essential to national defense. Training for nondefense occupations continues as a separate phase of the program for training NYA project workers.

Out-of-school rural and nonrural youth.—This part of the program extended training to out-of-school rural and nonrural youths over 17 but less than 25 years of age. Out-of-school youth defense training is intended to create a reservoir of youth with preliminary training who may go into national defense industrial employment as the occasion demands, or who may be better qualified to serve agriculture as it becomes increasingly mechanized. These courses also serve as devices for the selection and guidance of individuals into advanced or specific training courses. The enrollees are selected by local school authorities and must register with a public employment office on or before completing their training. Originally, two major types of courses were offered: (1) general pre-employment courses, which offer basic vocational instruction in occupations common to farm work but also basic to defense industry, such as operation, care, and repair of tractors, trucks, and automobiles, metal work, woodworking, and elementary electricity, including operation, care, and repair of electrical equipment; (2) specific pre-employment preparatory courses which provide training in specific occupations, such as riveting, welding, various machine-shop occupations, aircraft sheet-metal work, and radio service and repair. The minimum duration of the courses is 8 weeks. On July 1, 1941, the specific pre-employment courses were disassociated from the out-of-school youth program and incorporated in the pre-employment and refresher program.

Training of engineers.—This program represents still another plan designed to overcome the shortages of qualified workers in defense industries. Instruction is given in accredited engineering colleges and universities and is comparable in grade to that given to regular engineering-school students. The emphasis, however, is on short, intensive training in highly specialized phases rather than general instruction in the profession.

The nature of the courses offered is determined on the basis of demonstrated needs. Both employed and unemployed persons are eligible, and application for enrollment is made directly to the institution in which training is desired. The final selection is made by the institution concerned, subject to specified standards for each course approved by the United States Commissioner of Education. The Employment Service often aids in the recruitment of applicants, as well as in placement of persons who have completed the course. At the beginning of the fiscal year 1941-42, the engineering program was expanded to provide training for chemists, physicists, and production supervisors.

Training by industry.—In addition to sponsoring and financing public courses, the Federal Government is encouraging industry to expand its own training activities. This particular field of training is of special significance, because in the last war it was proved the most effective means of rapidly training defense workers. Moreover, management is in the most advantageous position to train workers, because it has at its disposal not only the necessary training facilities, equipment, and instructors but also the best possible training material—the workers in its plants. Foreign experience has also shown this kind of training to be most effective.

At the start of the present emergency, industrial training was undertaken on a relatively small scale. Realizing the implications of the defense program in terms of vast prospective demands for qualified labor and the need to awaken industry to the importance of training as a means of satisfying its own future requirements, the OPM established the training-within-industry program. Its express purpose is "to assist defense industries to meet their manpower needs by training within industry each worker to make the fullest use of his best skill up to the maximum of his individual ability, thereby enabling production to keep pace with defense demands."¹ Upon specific request of an employer, representatives of the Training-Within-Industry Division will go into a plant to analyze the training needs, formulate and suggest an appropriate training program, make available the experience of other employers who have met similar problems, and acquaint the management

¹ Office of Production Management, Labor Division, "Training Within Industry," Bulletin No. 1, p. 1.

with the services available at various public agencies, such as public employment offices, vocational schools, engineering colleges, NYA, CCC, WPA, and others, which might be of assistance in overcoming problems of obtaining labor. These services are offered without charge, and employers may either accept or disregard any suggestions made to them. The initiative for starting a plant training program and the cost of such a program are left entirely to industry.

The field representatives of the Division are competent and experienced supervisors or personnel men lent to the Government by key defense industries. Underlying their operating technique is the belief that the most efficient and rapid means of satisfying the need for qualified skilled workers is to use the shortest method possible, namely upgrading. By this means a worker proficient in a skill a grade below that required can be trained in a minimum of time to meet the requirements of the higher skill. There is also the conviction that training is most fruitful when aimed at developing a worker's skill on one particular operation so that high production can be achieved in a minimum of time. In addition to suggesting which jobs are most adaptable to upgrading methods, the field representatives also consider the possibilities of breaking down highly skilled operations into component tasks for which comparatively less skilled workers can be quickly trained. As of June 15, 1941, the training-within-industry program had stimulated or affected training programs in 892 companies employing a total of 1.5 million workers. Long-term apprentice training is also suggested.

Another Government agency which plays an important part in the defense training program is the Apprenticeship Unit of the Division of Labor Standards, United States Department of Labor. In the summer of 1940, the National Defense Advisory Council assigned to this agency responsibility for the apprenticeship phase of the in-plant training program, and during the past year the apprenticeship field staff has been greatly expanded to meet constantly increasing demands from both management and labor for assistance in setting up apprenticeship systems in defense industries. It has worked closely with the training-within-industry program. Because the emergency emphasizes importance of apprenticeship in the metal trades, aircraft, and shipbuilding,

national specialists on training workers for these industries have joined the staff of the Apprenticeship Unit.

A functioning unit since 1934, the apprenticeship agency was brought into the Department of Labor by an act of Congress in 1937 and was made permanently responsible for the promotion of apprenticeship on a Nation-wide basis and for the establishment of standards to ensure sound trade training for the country's future skilled mechanics. The Federal Committee on Apprenticeship—on which outstanding employer and labor representatives serve in equal number, together with representatives of interested Government agencies—has continued as a national policy-making body, with the Chief of Apprenticeship as secretary.

In May 1940, there were approximately 500 apprenticeship programs operating under standards approved by the Federal Committee on Apprenticeship. Today there are more than 1,000 such programs, the majority of which operate through joint apprenticeship committees on which management and labor are represented. Apprentices are being employed at an increase of approximately 3 percent per month. Their number now totals 51,000, an increase of 30 percent over the past 6 months.

Role of the United States Employment Service

The original responsibility of the United States Employment Service in connection with the defense training program was largely one of selecting trainees for referral to pre-employment refresher courses and finding jobs for the graduate trainees. Almost immediately, however, the scope of the organization's responsibility was broadened until at present, as a constituent agency of the Labor Supply Branch, it plays a crucial role in meeting the entire labor-supply problem of the country.

The Employment Service finds itself in this strategic position because of several factors. Through its function of registering applicants for jobs and for unemployment benefits, it has in its files the employment records of millions of workers. Since the present organization was established, more than 108 million applications for work have been handled by the local employment offices. Even with liberal allowance for duplicate applications, vast numbers of employment records of different workers are available in these files. The

number of persons actively seeking work through these facilities represents the most comprehensive reservoir of labor that can be readily tapped.

In order to obtain current information on the labor supply available with given defense skills, monthly surveys of the application files are made. To supplement this information, surveys are conducted in defense plants, which indicate their labor needs, specified by occupations, for 6 months ahead. In addition, monthly reports describing developments in the State and its localities, which have a bearing on the current and prospective labor supply or demand, are received from the State employment offices. When these data are related, it is possible to get a composite picture of the labor market which reveals the number of workers with skills in essential defense occupations who are or will become available, and the number and occupations of the workers who are or will be needed by defense industries. To both employers and public training authorities, this information serves as a fairly accurate indicator of the need for training workers to supplement the available supply and also the occupations for which training should be given.

Because the Employment Service occupies a strategic position in local communities, it was originally directed to act in an advisory and consultative capacity to State and local advisory committees on defense vocational education. Under a recent agreement, however, its responsibilities were broadened even further. At present, it is responsible for determining and defining the need for training to the State and local councils of administrators, the number of workers needed, when they are needed, and the occupational requirements to be met by trainees for employment. The Employment Service must also keep all councils of administrators currently informed on labor demand and supply and other labor-market developments. Since it is represented on all councils, the Employment Service is also charged with reviewing and advising on pre-employment and refresher training proposals submitted by other sources.

The Employment Service activities in the field of occupational analysis may also be expected to contribute to more effective operation of the training process. The recent development, in cooperation with the Office of Education, of a list of 550 occupations, subsequently approved by the OPM,

for which training may be given, to replace 14 broad industrial classifications under which training has heretofore been given, makes possible more exact coordination of training and labor demand. Instruction can be geared to the specific skills that are in demand, as indicated by the Employment Service records.

Other aids which are being developed pertain to job analysis and occupational information. The Employment Service is constantly improving job information and trade tests to make possible more accurate appraisal of workers' occupational knowledge and skills; using these, it is possible to judge the type and extent of training that will be required to upgrade the worker. An additional section is being added to the *Dictionary of Occupational Titles* which will provide a classification structure for inexperienced or partly qualified workers and which will assist in the selection of such workers for training, either in special courses or on the job.

The Employment Service can also assist in counteracting local shortages of trainees. This problem would be difficult to cope with if it were necessary for trainees, who are generally unemployed and without financial resources, to leave home and take unpaid training elsewhere. However, where workers have been trained in their home communities, the Employment Service can arrange to refer them through clearance to jobs in localities which need them. An example of this type of arrangement is furnished by a large Baltimore aircraft concern which intends to employ thousands of trainees this year. Relatively few trainees are available in the area, and the number that can be attracted from other parts of the State is insufficient. The State director of one State employment service, therefore, is now working out plans with representatives of the United States Employment Service and school authorities in adjoining States for the establishment of vocational training courses to be given to individuals who are willing to go to Baltimore to work. Local supplies of trainees must be exhausted, however, before other areas are called upon to furnish trainees.

Finally, the Employment Service is responsible for the fulfillment of the principal objective of the entire training program—referral of trainees to jobs upon completion of training.

Progress of the Vocational Training Program

The initial estimates of enrollment have been exceeded in all fields of training. As of June 30, 1941, the total number of enrollments reported since the beginning of the program was estimated by the United States Office of Education to be: pre-employment refresher, 400,000; supplementary, 460,000; engineering, 110,000; out-of-school rural and nonrural youth, 300,000; and NYA, 250,000.

Table 1.—Number of persons enrolled in pre-employment refresher and supplementary training courses, by type of course, July 1940–June 1941

Training course	In pre-employment refresher courses	In supplementary training courses
Total.....	400,000	460,000
Automotive services.....	27,200	20,700
Aviation services.....	96,400	101,600
Construction.....	7,200	7,400
Drafting and blueprint reading.....	17,200	55,200
Electrical services.....	14,800	18,400
Forging.....	2,400	500
Foundry.....	4,400	1,400
Machine shop.....	136,800	100,700
Patternmaking.....	5,600	9,200
Radio services.....	4,000	9,000
Sheet-metal work.....	17,200	10,100
Ship and boatbuilding.....	11,200	34,700
Welding.....	40,000	46,900
Woodworking.....	4,800	2,300
Other.....	10,800	41,900

Detailed information on enrollments by type of course for the pre-employment refresher and supplementary training programs is shown in table 1. According to the United States Office of Education, more than 145,000 trainees from pre-employment refresher courses are known to have found employment as of June 30.

More detailed but less comprehensive data, collected by the United States Employment Service in connection with its participation in the pre-employment refresher program, are available on the age of persons referred for training or placed in jobs, enrollment by type of course, bases for selection of trainees, and other aspects. Since these data cover only United States Employment Service activities and since comparable data are not available from other cooperating agencies, it is not known to what extent the experience of the Employment Service is representative of the over-all defense vocational training program. Nevertheless, an appraisal of this experience reveals a number of fairly well-defined trends which may well be typical of the entire program.

During the first 12 months of the training program—July 1940–June 1941—nearly 205,000 applicants referred by the public employment offices were accepted for training in pre-employment refresher courses (table 2). There has been a generally marked increase in referrals in recent months, reflecting primarily a growing recognition of the urgent need for expanded training activities to satisfy requirements of booming defense industries.

Machine-shop courses have attracted nearly one-third of all persons referred; large numbers have also been enrolled in aviation services, sheet-metal work, and welding classes. This concentration is natural, since the skills taught in these courses have been in greatest demand in defense industries.

There has been a fairly steady increase in the proportion of referrals of persons under 25 years of age and a decrease in those aged 25–44 years. This change is probably due, in some measure, to the fact that the older workers who are generally more experienced and better qualified are being absorbed more readily by expanding industry, leaving fewer available for training. For certain types of work young people are considered more suitable for vocational training.

Paralleling and undoubtedly responsible for the greater acceptance of younger applicants has been the steadily increasing reliance by public employment offices on aptitude as the basis for selection of trainees (table 3). Aptitude in itself implies

Table 2.—Number of applicants referred by public employment offices to pre-employment refresher courses and percentage distribution by age group, by month, July 1940–June 1941

Year and month	Number of referrals	Percentage distribution by age groups (years)					
		Total	Under 21	21–24	25–44	45 and over	Unspecified
July 1940–June 1941.....	204,672	100.0	26.9	23.6	38.4	6.0	5.1
1940							
July–August ¹	26,606	100.0	21.5	15.4	22.2	3.5	37.4
September.....	12,796	100.0	21.3	21.8	46.2	6.8	3.9
October.....	12,952	100.0	22.8	27.8	42.7	6.7	0
November.....	9,048	100.0	24.3	24.6	43.9	7.2	0
December.....	10,421	100.0	24.9	25.4	43.8	5.9	0
1941							
January.....	17,694	100.0	24.3	26.4	43.4	5.9	0
February.....	18,009	100.0	26.3	26.5	41.8	5.2	.2
March.....	21,364	100.0	26.9	27.3	40.0	5.8	0
April.....	23,130	100.0	28.5	23.9	41.5	6.1	0
May.....	22,564	100.0	28.6	25.0	38.6	7.8	0
June.....	29,968	100.0	36.9	21.2	35.3	6.6	0

¹ First report covered activities during July and August.

little more than an inclination for or natural leaning to a certain type of work; actual experience is generally lacking. The combination of these factors is usually characteristic of youth. Another reason for the increasing use of aptitude as a measure for selection of trainees is the dwindling supply of potential trainees who possess previous training or work experience.

There has also been a fairly rapid gain in the number of trainees placed by public employment offices in regular jobs. Placements, including those of trainees from pre-employment refresher courses, regardless of the agency referring them to training, totaled nearly 44,000 through June 1941 (table 4).

Of the trainees placed by public employment offices, over two-fifths had been trained in machine-shop work and over one-third in aircraft services; sheet-metal and welding courses were the only others from which any appreciable number of trainees were placed. To date, nearly 90 percent of the training placements have been made in jobs corresponding to the training taken.

There has been an increasing tendency among employers to favor the older trainees when hiring, probably on the assumption that older men are more likely to have had some previous experience.

While figures given indicate definite progress of the program, there have been certain inevitable difficulties and obstacles to overcome and criticism on a number of points. Some communities have been unable to establish appropriate training pro-

Table 3.—Percentage distribution by basis of selection of applicants referred by public employment offices to pre-employment refresher courses, by month, July 1940–June 1941

Year and month	Percentage distribution by basis of selection				
	Total	Aptitude	Previous experience	Previous training	Unspecified
July 1940–June 1941	100.0	50.2	25.1	19.5	5.2
1940					
July–August ¹	100.0	25.9	21.2	15.5	37.4
September	100.0	38.3	34.5	23.2	4.0
October	100.0	46.7	32.1	21.2	0
November	100.0	48.5	28.3	23.2	0
December	100.0	50.1	30.1	19.5	.3
1941					
January	100.0	50.8	29.0	19.9	.3
February	100.0	53.7	26.6	19.6	.1
March	100.0	57.3	24.4	18.3	0
April	100.0	57.8	23.0	19.2	0
May	100.0	59.2	23.3	17.5	0
June	100.0	58.6	19.5	21.9	0

¹ First report covered activities during July and August.

Table 4.—Number of trainees placed by public employment offices from pre-employment refresher courses and percentage distribution by age group, by month, July 1940–June 1941

Year and month	Number of trainees placed	Percentage distribution by age groups (years)					
		Total	Under 21	21–24	25–44	45 and over	Unspecified
July 1940–June 1941	43,768	100.0	27.1	28.2	38.6	4.8	1.3
1940							
July–August ¹	1,266	100.0	27.1	18.3	9.3	.6	44.7
September	1,908	100.0	41.1	29.4	27.1	2.4	0
October	1,923	100.0	39.1	26.6	31.2	2.8	.3
November	2,864	100.0	34.1	29.2	33.2	3.5	0
December	3,377	100.0	31.2	27.3	36.4	4.8	.3
1941							
January	4,117	100.0	24.7	32.4	38.0	4.8	.1
February	4,825	100.0	22.7	32.2	40.6	4.5	0
March	5,073	100.0	23.1	29.2	42.8	4.9	0
April	5,636	100.0	24.8	27.6	41.6	6.0	0
May	6,651	100.0	22.7	25.6	45.1	5.9	.7
June	6,128	100.0	29.0	27.0	38.6	5.4	0

¹ First report covered activities during July and August.

grams, because they lacked adequate training facilities, equipment, and instructors; in others, persons have been trained without adequate regard to defense labor requirements. The gearing of training to specific needs is being aided materially through the participation of local employment offices.

That employers are generally satisfied with the results of the training program is shown by the fact that they frequently hire trainees even before they complete their courses. For example, from Indiana comes the report that there is such a demand for trainees in Indianapolis that industry is hiring most of the trainees before they complete their full period of training. This situation, however, may be confined to areas where labor shortages are acute or where employers intend to hire learners and appreciate the fact that trainees are better qualified than completely untrained workers. Generally, when such trainees are hired, the employers follow through with some sort of in-plant training. Additional training on the job is usually the rule, even with trainees who have completed their courses.

The growing tendency to adapt courses to meet the needs of specific companies will undoubtedly improve not only the quality of the training but the prospects of employment for the trainees. There has been an increasing amount of cooperation between employers, the United States Employment Service, and vocational training authori-

ties. Generally, employers inform the Employment Service of their anticipated labor needs and the occupational functions required of the prospective employees; knowing these facts, the Employment Service informs the schools, which are then able to meet clear-cut objectives in formulating their training courses. The value and success of this type of cooperation is reflected in a labor-market report from Kansas which states: "Representatives of the national defense training course in Wichita conferred with personnel directors of all aircraft factories, and the vocational school is now training men in specific occupations needed in the factories; 2,000 trainees from the school are now working in the factories." Another report, from New York, indicates a similar situation: "Training courses are being given at 10 high schools in Nassau and Western Suffolk Counties. Each school is run for a particular plant. The instructors are supplied by the plant. The opening of 3 aviation centers at Lynbrook, Freeport, and Bay Shore is expected . . . Like the high schools, each aviation center will be run for a specific plant with instructors supplied by the plants."

Shortages of applicants for courses are developing as a hindrance to defense training efforts in some areas. In many large industrial centers where employment opportunities have expanded enormously, many workers who ordinarily would be expected to take training accept immediate job opportunities instead of enrolling in training courses. From the Baltimore area, where intense industrial activity has absorbed a large portion of the employable workers, comes word that shortage of the kind of trainees wanted by local firms is next in importance to shortage of skilled workers. Reports from employment service offices in other States indicate a similar situation. Michigan reports: "The pre-employment refresher

training program is hampered in a few localities by scarcity of suitable trainees." A South Carolina report states: "One difficulty . . . is the scarcity of eligible trainees for referral to ship-building courses. Since opportunities for employment are very good in this area, workers would rather accept jobs at low pay than spend the required training period without income." Reports such as these will undoubtedly become more numerous as industry continues to expand. The clearance system of the United States Employment Service, however, should be able to provide some relief by making possible the transfer of workers trained in areas of little defense activity to areas where stringencies are felt.

Racial restrictions established by employers have seriously limited the employment opportunities of certain minority groups of trainees. The restrictions also tend to limit the number of courses offered to persons from these groups. Such restrictive factors are no different from those which exist throughout the country with respect to the hiring of even skilled workers. As labor stringencies become more acute and the OPM policy of nondiscrimination makes itself felt, employers may modify, at least to some extent, their discrimination against minority groups.

Because only a year has passed since the inception of the defense training program, its total effectiveness cannot yet be fully measured. However, some indication of its importance may be gathered from a recent statement by Mr. Sidney Hillman: "Thus far, with local exceptions, it may be said that no wheel in defense industry has failed to turn for lack of the properly qualified man. Continuation of this situation depends . . . upon the adequacy and constant improvement of the arrangements thus far devised to make a trained labor supply available to all defense industries wherever located."

Experience in Appeals Under Old-Age and Survivors Insurance

ERNEST R. BURTON AND IRVING LADIMER *

THE PROCEDURE for hearing and review of old-age and survivors insurance claims under the 1939 amendments to the Social Security Act has already involved review by the United States courts. On June 25, 1941, the United States District Court for the Northern District of Illinois (Eastern Division) examined the first decision of the Appeals Council that proceeded beyond the administrative bounds of the Social Security Board. In that case, the court upheld the Council's decision that the plaintiff, who was the receiver of a State bank and who had been appointed to that position by the Auditor of Public Accounts of the State of Illinois, did not render services as an employee within the meaning of the Social Security Act.

The administrative machinery governing hearings and review on adjudicative determinations requested by dissatisfied claimants was established in January 1940.¹ For the first 6 months attention was devoted to drafting regulations, procedures, and forms, and to training field referees responsible for the conduct of hearings and the preparation of decisions. The first request for a hearing was received in July 1940. Regulations were tentatively approved by the Social Security Board in July and adopted in October. They are designed to make hearings before authoritative officials readily available to claimants and to wage earners who disagree with the decisions of the Bureau of Old-Age and Survivors Insurance. This Bureau has primary responsibility for judging the validity of claims.

The procedure for hearing and review serves both as a safeguard against decisions on claims or wage records that may be incorrect and as an assurance to workers and their families that they have full opportunity to present their evidence and contentions. A hearing may be obtained not only with respect to an application for bene-

fits but also with respect to matters affecting benefit payments, such as a determination of deductions from benefits and modification in the amount of benefits as provided in the act. A hearing may be granted also on the question of the dependency of a parent prior to the filing of an application for parent's insurance benefits. The Board has also directed that hearings may be held with respect to lump-sum payments under the original Social Security Act.

No hearing may be held until an initial determination has been made by the Bureau of Old-Age and Survivors Insurance. If the claimant is dissatisfied with this determination he may request reconsideration by the Bureau or, alternatively, an immediate hearing before a referee. If reconsideration is requested, the right to a hearing is not waived.

The reconsideration process, while not mandatory, is apparently filling an important role in settling a large number of cases which might otherwise be carried to a hearing—necessarily a more costly process both for claimants and for the Government. In consequence, a considerable portion of the cases heard by referees involves either debatable legal issues or close questions of fact for which the testimony of witnesses is often more revealing than documentary evidence.

To assure consistency in the decisions rendered by the referees of the 12 regions, provision was made at the outset for the coordination of decisions by channeling through a consulting referee certain types of decisions. Hearing referees were directed to submit to the consulting referee all proposed decisions which would modify or reverse previous determinations made by the Bureau, as well as cases in which they were in doubt as to the proper decision.

Who Presents Appeals?

Over 830 requests for hearing were received during the fiscal year 1940-41. These have arisen in all sections of the country. Over 100 requests

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¹ See Ladimer, Irving, "Hearing and Review of Claims and Wage-Record Cases Under Old-Age and Survivors Insurance," *Social Security Bulletin*, Vol. 3, No. 7 (July 1940), pp. 21-24.

Table 1.—Percentage distribution of 757 cases¹ received for hearing and review, and cases as percent of claims disallowed, by type of appeal, fiscal year 1940-41

Type of appeal	Percentage distribution	Cases as percent of claims disallowed
Total.....	100	(²)
Claims.....	93	(²)
Monthly benefits.....	71	4.6
Primary.....	29	4.7
Wife's.....	3	2.5
Child's.....	19	3.8
Widow's.....	3	6.6
Widow's current.....	11	5.3
Parent's.....	6	8.7
Lump-sum payments.....	22	(²)
Under 1939 amendments.....	17	2.2
Under 1935 act.....	5	(²)
Wage-record revision.....	7	(²)

¹ Denotes claims with respect to which a request for hearing has been filed, photocopies of the claims file have been received by the Appeals Council, the claimant was not denied a hearing because of ineligibility, and the claimant has not withdrawn his request.

² Comparable data not available.

have come from each of the two administrative regions of the Social Security Board, where the majority of the persons subject to the old-age and survivors insurance provisions are concentrated. These regions are Region II (New York) and Region VI (Illinois, Indiana, and Wisconsin). During the same fiscal year the Bureau awarded some 400,000 claims of all types.

When the appeals system was established, it was anticipated that 1 or 2 percent of all claims filed would be contested beyond the Bureau. According to this year's experience, only about 0.2 percent of all claims filed were appealed. On the basis of sample studies, about 4 percent of all claims filed were disallowed by the Bureau, and about 5 percent of the claims disallowed eventuated in appeal.

The great majority of requests for hearing and review are concerned with claims for benefits (table 1). Only 7 percent of all appeals so far have been with respect to requests for revision of a wage record by a worker who may file a claim at some time in the future. More than 71 percent are concerned with issues in claims for monthly benefits; the remaining 22 percent are divided between claims for lump-sum payments under the 1935 act and under the 1939 amendments. More than 40 percent of the cases involving monthly benefit claims relate to primary beneficiaries, that is, workers whose claims are based on their own wage records. The next largest proportion, more than 25 percent of the monthly benefit group, comes from children of wage earners, while about

15 percent comes from widows who have children entitled to monthly insurance benefits. Aged wives and widows together constitute 10 percent of the monthly benefit cases, and parents 10 percent.

The proportion of appeals from parents should be appraised in connection with the relatively small number of parents' claims. For the first calendar year, claims submitted by parents totaled about 1,700—about half of 1 percent of all claims filed. One out of every three claims presented by parents was disallowed by the Bureau during the first year of operation under the amended act. In proportion to the number of claims filed by parents, the disallowances and appeals from these disallowances by parents far exceeded those of any other type of claim. Disallowances arose chiefly because parents could not prove that they were "wholly dependent upon and supported by" the wage earner at the time of his death.

Reasons for Appeals

The classification of cases decided by referees reflects the major administrative difficulties encountered by the Bureau of Old-Age and Survivors Insurance in interpreting and applying to the facts of individual cases the law and the

Table 2.—Percentage distribution of 757 cases¹ received for hearing and review, by issue, fiscal year 1940-41

Issue	Percentage distribution
Total.....	100
Wages.....	28
Employment relationship.....	16
Survivor with prior right.....	9
Status of child.....	8
Status as widow.....	6
Dependency.....	5
Insured status.....	5
Agricultural labor.....	4
Computation of benefits.....	3
"Living with".....	3
Government instrumentality.....	2
Equitably entitled.....	2
Family employment.....	1
Age.....	1
Miscellaneous.....	7

¹ See table 1, footnote 1.

regulations (table 2). The first problem in adjudicating a claim is evaluating the wage earner's record to determine his "insured status," that is, his eligibility for benefits. This evaluation requires decisions as to whether the remuneration he received constitutes "wages" under the Social Security Act, whether it was distributed within periods which count toward insured status, and

whether the total is sufficient to meet the qualifying requirements.

Fully one-third of all hearing cases have come to the referees because the claims were rejected for lack of insured status or for incorrect designation of remuneration as "wages." Sworn testimony of employers and of fellow workers has been admitted in evidence at hearings to support claimants' contentions that wages actually paid were greater than the employer had reported. Sometimes the determination has depended on the evaluation of wages paid in kind, such as the use of a basement flat occupied by an apartment-house janitor, or on whether the wages paid were remuneration for the services of the claimant alone or in part for services rendered by other members of his family. Several cases have depended on whether wages which were not paid in either cash or kind may be considered as having been "constructively" paid. Claimants have frequently contended that, because their employers owed them more than they had been paid, there should be credited on their wage records the earned but unpaid amounts as well as the sums actually received. Whether and under what circumstances traveling expenses of salesmen should be counted as part of their wages has been involved in a considerable number of cases.

Other major problems which have come to the attention of the referees have dealt with coverage—i. e., whether the service performed by the wage earner is employment as defined by the Social Security Act. The case which rose to the Federal district court involves such an issue, as well as the issue whether there was any agreement or connection between the employer and the employee. In that case, the twofold question was whether the worker was an employee and whether his putative employer was a government instrumentality, services for which are excepted from the definition of employment. Among the cases regarding coverage have been those dealing with the definition of agricultural labor, such as work in a commercial hatchery, and those involving employment of a wage earner by a close relative, such as a father alleged to be employed by a partnership, of which his son is a member, rather than directly by his son. Both of these classes of service are excluded from the provisions of the Social Security Act, and wages earned in their performance cannot be counted toward benefits.

Cases involving family relationship constitute another important classification of requests for hearing.² About one out of every seven cases has been concerned with whether, within the meaning of the appropriate State legislation, the applicant was legally related as wife, widow, child, or parent to the wage earner. Other cases have required consideration of domestic relationships—for example, the problem which arises when two or more alleged wives or widows of the same man file claims based on his wage record. Not only must it be decided which one is the legal wife or widow, but also whether she was "living with" the wage earner. The solution of the latter question requires consideration of more than just whether the man and wife occupied the same abode. Under certain conditions, if the husband has been making regular and substantial contributions to her support or had been ordered by a court to do so, or if the absence of one spouse has been clearly temporary, they may be held to be "living with" one another. For example, the husband may be on the high seas for an extended period, while the wife maintains the home in the Middle West.

About one-sixth of the hearing requests compel inquiry into the various relationships and agreements between employer and employee. One of the most difficult technical problems is the application of the definition of "employment." When is an individual an independent contractor and when is he in the employ of another? When is the position of a salesman one of genuine independence, signifying that his remuneration is not wages, and when is his activity so controlled as to warrant regarding his remuneration as attributable to employment and hence as wages? Some cases turning upon this issue have required lengthy and exhaustive inquiry into such details as the hours of work required, territorial restrictions, controlling of itineraries, prescribed selling methods, demonstrations of products, furnishing of leads, reports of calls made, reports of prospects' credit rating, liability for customers' defaults, and restrictions upon sale of competitive or noncompetitive lines of goods.

Value of Appealing

Since the beginning of the appeals program, hearing referees have submitted to the consulting

² For a discussion of the problems involved in determining family relationships, see pp. 24-32.

referee 262 proposed decisions which differed from the Bureau's. In 186 of these the consulting referee approved the proposed decisions. In 65 others, the proposed decisions were disapproved and in about half of these cases the decisions recommended by the consulting referee were adopted and issued by the hearing officers. The remaining 11 of the 262 proposals were pending with the consulting referee on June 30. Twenty-five of the 65 cases in which the proposed decisions were disapproved were certified by the hearing referees to the three-member Appeals Council for its decision and one case was remanded to the Bureau, which revised its previous determination on the basis of new evidence. The referees also certified 10 of the 186 cases in which the consulting referee had approved their suggested decisions since, despite such approval, they desired additional consideration of the issues. With the approval of the Appeals Council, 11 cases were certified by the referees directly to the Council without prior submission of the proposed decisions to the consulting referee.

In addition to certified cases (in which the decision of the Appeals Council is both the initial and the final administrative decision resulting from a hearing), the Appeals Council has received claimants' requests for review of referees' decisions in 79, or 84 percent, of the 94 cases decided adversely to the claimants' contentions. About one out of every four cases, when initially decided—either by the referee or the Council—has resulted in the reversal or modification of the determination originally issued by the Bureau. About one in five of the cases decided by the Appeals Council upon review of a referee's decision has had a similar effect.

It is interesting to compare this record of affirmation and reversal with the record for claims reconsidered by the Bureau at the instance of claimants who protested initial determinations. A sample study of about 1,800 reconsiderations handled during the first 4 months of 1941 revealed that the Bureau reversed itself in 15 percent of the cases and that only 5 percent of the cases which it did not reverse were subsequently appealed.

According to procedure, a case may reach the Appeals Council either by continued objection on the part of the appellant or by the referee's certification. The cases certified to the Appeals Coun-

cil have involved, on the whole, a narrower range of issues than the cases which claimants have brought to the Council on the basis of disagreement with referee decisions. Many of the certified cases have required extensive legal study. Some which involved interpretation of the act or regulations and about which there was considerable conflict of opinion were cleared, before being decided, with the interdepartmental coordinating committee. This committee is composed of members of the legal staffs of the Federal Security Agency and the Bureau of Internal Revenue.

Among the more important issues in these certified cases have been those regarding the interpretation of the Federal instrumentality exception and the application of certain of the Board's regulations concerning wages, particularly those with reference to traveling expenses and constructive payment. Others of the certified cases have turned upon the weighing of evidence as to the particular factual situation. For example, one claim for parent's benefits necessitated a finding as to whether the aged mother was dependent upon the deceased daughter, with whom she and two other daughters maintained a common household, or upon all three of the daughters jointly. The issue in another case was whether continued payment of wages to a bed-ridden worker was sick pay "under a plan or system,"³ and, as such, excluded by the act from wages. Several of the certified cases in which the facts have been quite clear have depended upon the correct interpretation and application of State laws and court decisions regarding such matters as common-law marriage, equitable adoption of children, or the determination of a person's last domicile.

Cases which claimants have requested the Appeals Council to review after unfavorable decisions by referees have less often than the certified cases been concerned with difficult or close questions of law or fact. In several instances, claimants, in requesting such reviews, have said that they did not expect a reversal of the referee, recognizing that his findings of fact were correct and that his application of the law was sound, but that they "hoped" the Appeals Council "might see things differently" or would give consideration to their evident "need" for the benefits sought. In some

³ For a discussion of sick pay as taxable wages, see the Bulletin, July 1941, pp. 54-55.

cases and particularly in lump-sum claims, for which the act prescribes the relative priority of various possible claimants, the appeal has been to "fairness." The claim of a person who may have paid the burial expenses of a deceased wage earner may have been denied because of the existence of a survivor with a prior legal right to the lump sum, although such survivor may never apply for it or may have been unfriendly to the wage earner during his lifetime.

The effect of prosecuting appeals without legal merit in view of the particular facts is reflected in the proportion of decisions which favored appellants in the certified and the appealed cases. Whereas the decisions in 14 of the 25 certified cases in which decisions were issued by the end of the fiscal year differed from the determinations rendered by the Bureau, only 7 of the 39 cases reviewed on the request of the appellant reversed previous actions of the Bureau and the referee.

Favorable decisions of the Council frequently provide a basis for making monthly benefit payments to individuals other than the claimant in the case. Decisions with respect to primary insurance benefits affect benefits to which the wage earner's wife, if she satisfies other requirements of age and relationship, may be entitled. The rights of his children, if they are under 18 years of age, may also be concerned. In a case involving coverage or employment relationship, many other wage earners of the same or similar concerns may benefit by a determination which will be controlling in their own cases. This influence has been felt in certain decisions regarding the employees of a water users' association which, prior to the decision of the Appeals Council, had been held to be a Federal instrumentality by virtue of its relationship to the United States Bureau of Reclamation. Likewise, employees of building and loan associations holding memberships in the Federal Home Loan Bank System stand to benefit from a decision under which they were held to be employees under the Social Security Act, reversing previous determinations.

Conduct of Hearings

In the first year of operation, plans for the conduct of hearings crystallized into regular practice. In the early months of the fiscal year, referees received from the consulting referee a memorandum accompanying each case, analyzing

the particular issue involved, suggesting suitable lines for the development of evidence, and calling attention to guiding opinions rendered by the Office of the General Counsel of the Federal Security Agency. This practice was continued later in an abbreviated form by furnishing only a list of pertinent Board actions, General Counsel opinions, and previous decisions by other referees or the Appeals Council. Extensive instructions regarding development of cases were discontinued.

The task of preparing the file for the purpose of informing the claimant prior to the hearing of all previous actions in his case has been minimized to the extent that only a descriptive summary of the evidence is now sent to the field office, where it may be read by the claimant. If in any case the claimant wishes to examine his complete file, a photographic copy is then obtained for his inspection. Originally, complete transcripts were made of the stenographic record of each hearing. This practice has been supplanted by mere recording in most cases, transcriptions being ordered only in cases which go to the Appeals Council or when the referee is unable to prepare a decision on the basis of his own notes. Whenever a case goes beyond the referee, however, the claimant receives every opportunity to study the evidence adduced at the hearing, in order that he may present to the Council carefully considered contentions regarding the interpretation of such evidence.

An innovation in hearing procedures is the narration, in the course of the opening remarks by the referee, of the procedural history of the case, a statement of the issues involved, and information as to the referee's authority and the degree of finality attaching to his decision. By this means the claimant becomes fully informed of the purpose of the hearing and also learns that his case may be decided by the Appeals Council instead of by the referee, if it involves an unusually difficult question of law, and that he may request a review of the referee's decision by the Council. Thus, the appellant is informed of the importance of the hearing as a vehicle for carrying—through the record of testimony—all pertinent evidence which he may have to present before the higher body, should such action become advisable.

Claimants may be represented by qualified agents in all cases heard before the referees or the Appeals Council. In about 15 percent of the cases

heard by referees, claimants have been thus represented—for the most part by attorneys. In the other cases, relatives, personal friends, and, on a few occasions, employers, spoke on behalf of the claimants. In general, the presence of representatives at hearings has not interfered with their orderly conduct. In some cases the questioning of witnesses by representatives and the submitting of attorneys' briefs relating to certain legal questions have been distinctly helpful. There has been little inclination on the part of attorneys or agents to ask unreasonable fees.

The Board empowers referees to admit to hearings, besides claimants themselves, such other persons as the referees may deem necessary and proper. Experience of the first year has shown that few individuals appear at hearings other than the parties concerned, the witnesses, and field-office officials whose testimony is needed. Some employers, although not parties in interest, have appeared when the issue was one of coverage or wage-record revision. The decisions, they evidently felt, might have a subsequent bearing on the question of their tax liability, not only with regard to the present claimant but possibly with regard to other employees. For this reason, employers occasionally have wished to submit evidence, examine witnesses, and file briefs. Others have attempted to obtain copies of decisions of the referee. It has been the practice of the referees to admit employers to hearings, even though they were not witnesses, if they attended as friends or advisers of the claimants. The principle that the records of the Social Security Board are confi-

dential has, however, been zealously observed.⁴ Employers and their representatives have been refused information regarding the decision, and they have not been permitted to inspect any portion of a hearing record other than that containing their own testimony. It is interesting, however, that some employers who learn of referees' decisions through the claimants themselves have assisted them in prosecuting appeals from adverse decisions. Apparently they have recognized that it is to their interest to obtain social insurance benefits for their past employees.

Summary

The nature as well as the volume of cases comprising active requests for hearing has subjected the hearing system to a test which should have revealed any fundamental defects. Although not all dissatisfied claimants have availed themselves of the privilege of review, either through reconsideration by the Bureau or through hearings before referees, those cases which have required redetermination have not revealed any serious difficulty in the procedures for review. The year's experience has substantiated the belief that the Board's basic provisions for hearing and review of claims, and the regulations and procedures designed to ensure fair hearings and decisions resulting from thoughtful deliberation, adopted for the purpose of being informative as well as determinative of the claimant's rights, were constructed on a solid foundation.

⁴ See Merriam, Ida C., "The Protection and Use of Information Obtained Under the Social Security Act," *Social Security Bulletin*, Vol. 4, No. 5 (May 1941), pp. 13-19.

Relationship as a Problem in Old-Age and Survivors Insurance

MICHAEL FOONER AND ROBERT FRANCIS*

THE EXISTING PROVISIONS of title II of the Social Security Act require that in determining relationships between husbands and wives, and children and parents, the intestacy laws of the various States shall be applied. Since the provisions, interpretations, and application of the laws of the various States vary from one State to another, there has resulted a degree of administrative complexity, difficulty in obtaining uniformity in the determination of claims for benefits, and, to some extent, a public resentment of the benefit decisions made under these provisions.

When the old-age insurance program was expanded under the 1939 amendments to include protection for dependents and survivors, four new classes of beneficiaries were established—wives, widows, children, and parents—but the act did not undertake to define those classes with any preciseness. Instead, the act directed the Social Security Board to apply certain State laws in making its determination as to the relationship of dependents and survivors to the wage earner whose insured status is the basis of their claim to benefits. Section 209 (m) of the act provides:

In determining whether an applicant is the wife, widow, child, or parent of a fully insured or currently insured individual for purposes of this title, the Board shall apply such law as would be applied in determining the devolution of intestate personal property by the courts of the State in which such insured individual is domiciled at the time such applicant files application, or, if such insured individual is dead, by the courts of the State in which he was domiciled at the time of his death, or if such insured individual is or was not so domiciled in any State, by the courts of the District of Columbia. Applicants who according to such law would have the same status relative to taking intestate personal property as a wife, widow, child, or parent shall be deemed such.

There appears to be nothing of record in congressional debate or committee hearings to indicate the reasons for using State intestacy laws for guidance in the determination of relationship. It may be noted that under the original Social Security Act the Board was required, in making lump-sum death payments under section 205, to

consult the intestacy laws of the State in which the deceased worker was domiciled. There was, of course, no problem of determining which relatives were eligible for monthly benefits, since such benefits were provided only for the worker himself. Section 205 of the 1935 act directed the Board not only to make lump-sum payments to relatives given priority in the provisions of State intestacy laws, but also to determine if an alleged relationship was legal in accordance with the rules and definitions set forth in each of those laws. In certain instances, administration of the deceased worker's estate could be required before payment was made.

Simplifying the administrative task somewhat, the 1939 amendments were so drawn that the intestacy laws of the various States are no longer used to determine which relatives are eligible for benefits. Such determination is now set forth in the act itself, both as to the classes of relatives eligible for monthly benefits and relatives eligible for lump-sum death payments, in the order of their priority. However, the State laws continue to be used in determining whether a legal relationship between a relative and the wage earner exists, both for lump-sum and for monthly benefit purposes.

While there is much legal history to support the practice of having a Federal statute follow State determinations in questions of domestic relations, it is well known that the provisions, interpretations, and application of the laws of the several States show wide variation. It has been found that considerable complexity arises out of the conflicts among State laws with respect to many aspects of domestic relations. Such questions as validity of second marriages, impediment to marriage, prohibitions against marriage, and the burden of proof in each type of case are subjects of sharply conflicting rulings in the different States. Not only does this conflict lead to difficulty in determining the relationship between parties, but it has also from time to time been necessary for the Bureau of Old-Age and Survivors Insurance to make benefit decisions,

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under the terms of the act, which are contrary to good social policy and common sense. While the number of cases in which such problems arise is not large in relation to the whole group of claims, the outcome is often very serious for the claimants involved and is serious also in entailing difficulties, costs, and delays in the adjudication of claims by the Board.

In applying the law of a worker's domicile, the Board has sometimes been forced to disallow claims which would have been allowable had the wage earner concerned been domiciled in a different State. A recent case typifies this situation. The claimant widow's marriage to the wage earner took place in the District of Columbia in March 1930, slightly less than 6 months after her previous marriage was terminated by divorce in Virginia. According to Virginia law, there is a 6-month period after divorce during which the remarriage of either party is void, and this statute has extra-territorial effect. Therefore, the marriage was void. At the expiration of the 6-month period, a valid common-law marriage would have come into existence, and the claim would have been paid, had the couple been living in any one of a large number of States recognizing such marriages. Since the couple returned to live in Virginia, and since Virginia does not recognize common-law marriage, the claim had to be disallowed.

In addition to the lack of uniformity in claims decisions due to differences among the several jurisdictions, complexity also arises because of conflicts within certain State laws. When a question as to domicile arises after the wage earner has died, it becomes relatively difficult to make the proper determination as to which State law should be applied.

Occasionally, complete examination of one of these complex situations brings about a manifestly absurd result under the very State laws which the Board is required to follow. In a recent Louisiana case, for example, it had to be determined that, in effect, there were two legal widows. The decision in this case was, therefore, that the lump-sum death payment should be certified one-half to the legal widow and one-half to the putative widow of the deceased wage earner.

On occasion a claim is filed by a family whose reputation in the community is without blemish. When the various technicalities are taken into account, however, as they must be in examining

an application for insurance benefits, it is found that a determination must be made that the husband and wife were not legally married and the children, under the law of many States, must be ruled to be illegitimate. Aside from the denial of benefits, the possible exposure of the alleged widow and children as not having a legal relationship to the wage earner may have drastic repercussions on the lives of these people.

Sometimes a widow will find herself in a difficult situation in spite of the fact that her marriage to the deceased wage earner was contracted in good faith. If, for example, she married a man under an erroneous belief that he was single, the fact that she entered the relationship in good faith can in most instances have no legal weight in the Board's decision. In one typical case, in which a widow's claim was disallowed because of an undissolved prior marriage of the wage earner, the following statement appears in the case folder:

I, -----, hereby state that at the time I married Joseph ----- I had no knowledge of any previous marriage having been contracted by Joseph ----- He had always told me he was single and it is so stated on the marriage certificate. We had never been remarried at a later date. The first time I had ever heard of his having been previously married was at his death, when his brother mentioned the fact to me.

The facts stated in this document could not affect the result.

Extent of the Problem

The lack of harmony between relationships as determined under State law and the true social and economic facts surrounding those relationships is a problem the extent of which can never be determined. The cases which have been disallowed must be considered merely a sample of the possible claims involving this type of situation, many of which may never reach the Board for adjudication. Field-office personnel interview some prospective claimants who withdraw without filing claims after discovering that a disallowance is probable. It is probable that other potential claimants fail to file claims because they expect disallowances after hearing of the experiences of friends and neighbors. Because of the complexity of the question, it is usually impossible for a layman to judge as to his own eligibility. But many are loath to file if a disallowance seems in prospect. Erroneous information, or mistrust of governmental agencies, or reluctance to risk exposing an

unpleasant family situation—any of these may deter a potential claimant from filing. It is impossible to tell how many claims are thus discouraged.

Effect Upon Children

The congressional committee hearings and the discussions of the Advisory Council both stressed the importance of insurance protection for orphans. The Council stated that such protection is at least as important to the community and to society as an old-age insurance program.¹ It has been found that the most acute relationship problem concerns the question of legitimacy. Under the interpretation of the existing law, illegitimate children are denied eligibility to benefits based upon the wage records of their fathers, except in very rare instances. The need for revising the treatment of these children is at least as great as the need for revision in the case of a woman who claims to be the widow but who cannot be recognized as having been the legal wife of a deceased wage earner.

It must be kept in mind that illegitimate children do not always come from temporary indiscretion or immoral conduct, but are often the children of men and women who are living together in the belief that they are husband and wife. Sometimes a man and woman enter into marriage in good faith, believing themselves to have been legally capable of contracting a valid marriage. They have children and conduct themselves in accordance with all established conceptions of morality and propriety. Then the marriage is found to have been invalid because of a formality in a State law.

There have been instances, for example, in which a man and woman, intending to be married, have obtained a marriage license and then, not realizing the necessity of a marriage ceremony in addition, have considered themselves married, lived their lives together, and had children. In many cases it is only the technicalities of State laws which prevent the full legal recognition of the marriage and the legitimacy of the children. Sometimes the children are ruled to be illegitimate because the State law forbids the recognition of common-law marriages. In other instances a proper ceremonial marriage may have taken place and still not be valid because of technical provision

as to the dissolution of previous marriages. In other cases, again, it is merely the question of burden of proof which constitutes the impediment to the validity of a second marriage.

Children born of unions in which such conditions exist are likely to be deemed illegitimate and lose benefits to which they would otherwise be entitled. The most striking aspect of this type of injustice is the fact that accidents of residence are a determining factor of prime importance. The act as now constituted disallows the claim of a child whose parents reside in one State but would have awarded him benefits had his parents lived in another State, one in which their marriage would have been deemed valid and the child legitimate.

There have been cases in which inquiry has elicited the fact that the entire family in question lived together under one roof and that the father's interest in the children was as genuine and as sincere as if the parents had contracted a marriage valid under the State law and the children had been recognized as legitimate. The children had been living with the father, and he had been supporting them. They were his dependents and were the direct sufferers from the loss of his wage income. Within the structure of our social insurance philosophy, it seems reasonable that such children should receive the same protection of the law as is now given to legitimate children.

Difficulties Affecting Legal Marriage Status

Since it is not easy for persons other than lawyers to visualize the difficulties faced by many individuals in establishing the legality of their marriage status and the legitimacy of their children, it might be well to review the major problems which the Board has encountered in interpreting the present requirements for determining family relationships.

Removal of legal impediment to marriage.—A marriage contracted while a legal obstacle exists is not a valid marriage. But if the impediment is removed it may be possible for that marriage to become valid. However, State laws are in conflict as to whether, and the means by which, such validity may be established. For example:

A man and a woman entered into a common-law relationship in Wisconsin in 1900. The woman had been previously married, at age 14, but had left her first husband several years after their marriage. She and her second husband had lived as man and wife in various States for the past 40 years. The wife had heard that her first husband died in 1927.

¹ Advisory Council on Social Security, *Final Report*, Dec. 10, 1938, p. 17.

It was ruled that this woman is not the legal wife of the wage earner according to the law of the State, California, in which they are now domiciled and in which they had lived since the time the impediment was removed.

Illustrative examples of this situation may be found in other States. In Georgia no new agreement is necessary to validate a common-law marriage after an impediment is removed, but a new agreement is necessary under similar circumstances in Minnesota. In Virginia a bigamous marriage does not ripen into a legitimate relationship upon the death of the former spouse, although it does in West Virginia. However, in West Virginia, if the impediment happens to be a prohibition against remarriage within the statutory period after a divorce, the marriage is void. In Ohio a valid marriage comes into existence after removal of an impediment, but in Michigan there must be a new agreement between the parties if neither party entered into the marriage in good faith.

One of the best examples that can be furnished of the inconsistencies resulting from State law is a comparison of the following cases:

Case 1. The wage earner, A, married Margaretha in 1912 and was divorced by her in 1922. In 1919, before the divorce, he married the claimant widow.

Case 2. The wage earner, B, married Mary in 1905, and they separated a few years later. Mary died in 1937. In 1922 the wage earner married the claimant widow.

There are striking similarities in these cases:

(a) at the time of death, both wage earners were domiciled in New York, (b) both of the claimant widows married the wage earners in New York, (c) both second marriages continued for approximately 20 years, (d) both second marriages were void when entered into, and (e) both first marriages eventually were legally terminated. However, the widow in Case 1 is a legal widow, but the widow in Case 2 is not a legal widow. Had the first wife of B (in Case 2) died before 1933 instead of in 1937, the second wife's relationship would have become a valid common-law marriage. The claim of the second wife, as the widow, would then have been paid instead of being disallowed. This result would have followed from the fact that a New York statute invalidating common-law marriage was enacted in 1933 (see table 1). It cannot be seriously contended that A's widow is morally superior to B's widow, nor does she have greater "natural" rights to social insurance protection. The social objectives of the act ought not to be thwarted by such legal technicalities.

Waiting period after divorce.—Another source of difficulty is the determination whether a marriage which occurred after a divorce had taken place is valid. In many States a waiting period is required before remarriage is permitted, and if a claimant's marriage is found to have taken place within the waiting period the claim must be disallowed in certain cases, regardless of any other factor, because of the language of some State statutes, while in other States having similar statutes disallowance may or may not be required. The complexity and hardships resulting from this requirement are illustrated by the following case:

The claimant, a widow with a minor child, had been married for the second time on July 1, 1923. Her divorce from her first husband did not become final until November 27, 1923. Although her second marriage had taken place within the waiting period, she could, under California law, have had her divorce made final before her remarriage if she had filed a petition. This was not done, however, and when the claim was filed the Bureau had to rule that her second marriage was not valid and that she was not the legal widow.

The legal requirements for waiting period before remarriage after a divorce, in 10 selected States in which specific cases have been ruled on by the Office of the General Counsel of the Federal Security Agency, are as follows:

State	Waiting period
Arkansas.....	None.
Connecticut.....	None.
Georgia.....	None, unless specified by the jury.
Idaho.....	6 months. Marriage in interim is void if performed in Idaho.
Massachusetts.....	Marriage of guilty party within 2 years is void.
Minnesota.....	Marriage within 6 months is voidable.
Michigan.....	Court granting divorce may prohibit remarriage for as long as 2 years in its discretion.
New York.....	Marriage of guilty party during lifetime of former spouse is void, unless court grants permission to marry.
Oregon.....	Marriage within 6 months is void.
Wisconsin.....	Marriage within 1 year is void.

Presumption of validity of second marriage.—In most States there is a presumption of the validity of the last marriage. In terms of survivors insurance benefits, this means that, when each of two women alleges that she is the legal spouse, the one who married the wage earner last will in most cases receive the benefit award. However, this is not true in all cases. In Ohio, for one, there is no such presumption; the facts must be completely developed in adjudicating the claim.

In those States which presume the validity of the last marriage, the first wife may rebut the presumption by obtaining a statement from the clerk of the court in each jurisdiction where the wage earner has resided since their separation, indicating whether a divorce has been granted to the wage earner. If no court record of a divorce is found, the presumption fails, the second spouse is considered illegal, and frequently the children are deemed illegitimate. The following quotation is an excerpt from an opinion of the General Counsel of the Federal Security Agency:

Generally speaking, in order to overcome the presumption that prevails in favor of an existing as against a previous marriage, it is necessary that there be official certification from all the counties in which the deceased resided during the period when a divorce might have been obtained by him, to the effect that no such divorce appears on the records. Ordinarily where the first wife is a claimant or potential claimant the burden of obtaining such certifications may reasonably be imposed upon her, and if she fails to produce them we have considered that it is proper to make a determination that the presumption has not been overcome.

The only value of the presumption is that it allows cases in which necessary facts cannot be ascertained to be brought to a conclusion. The presumption accomplishes this purpose because it is very difficult in most cases, and impossible in many, for the first spouse to trace the whereabouts of the wage earner over a period of time. There is little doubt that practically all the individuals receiving the payment when this presumption is applied would not be considered legally married if the true facts were known.

How this difficulty may obstruct the proper functioning of the survivors insurance system can be shown by a specific example. The wage earner, Mr. W, married A in 1925, and the couple separated in 1927. In 1934, W contracted a second marriage with B, who lived with him until his death in 1940. A daughter was born of this relationship in 1935. The whereabouts of W from the time of his separation from his first wife until his death were

accounted for by his brother, who stated that during that time W had lived only in two counties in Alabama. A search of the records in those counties was made, and it was found that no divorce proceedings with respect to the first marriage and no legitimation proceedings involving the child by his second wife had ever been instituted.

The second wife filed the following statement in connection with her claim:

W and I were married in . . . County, Alabama, July 22, 1934. I went with W about a month before we were married. During the time we were going together I asked him if he had ever been married before and he said he had not. I told him that I wanted to know because I didn't want to marry anyone that had ever been married.

I married W on the above mentioned date under the impression that he had never been married before. We lived together continuously from the day we married up to the time he went to his mother's when he became ill.

I never heard of his first wife until I filed a claim with the Social Security Board.

In this case the required application of Alabama law necessitated the disallowance of the claim of the second widow and of the child. Had the wage earner moved about the country to any extent, so that it would have been difficult to trace his whereabouts, it probably would not have been possible to present evidence that every county in which he had resided had no record of a divorce from his first wife. Under those circumstances the second marriage would have been presumed valid, the child ruled legitimate, and monthly benefit payments would have been awarded to the second wife and the child. Instead, a lump-sum payment was awarded to the first widow, who had had no association with the wage earner for the 13 years preceding his death.

Presumptions of validity of marriage are not uniform. In some States the presumptions are stronger than in others. In no State is the presumption irrebuttable.

Validity of common-law marriage.—Conflict in State laws on common-law marriage is one of the sources of greatest inconsistency. For example, common-law marriages are not valid at the present time in Massachusetts, New York, and Wisconsin. But children of a purported common-law marriage are illegitimate according to New York and Massachusetts law; in Wisconsin they are legitimate. In Indiana, Pennsylvania, and all other States in which common-law marriages are recognized, the wife or widow and the children of such marriages are recognized as having a legal status.

Frequently, in cases in which two individuals

marry while there is a legal impediment to such a marriage and the impediment is later removed, the determining factor as to the subsequent legality of the marriage is whether the parties are living in a jurisdiction in which common-law marriages are valid. The following is a quotation from an opinion of the General Counsel:

It is the opinion of this office that upon the removal of the impediment of a prior existing marriage a valid marriage does not come into existence under the law of the Territory of Hawaii. *The rule that a valid marriage arises in such a situation obtains only in those jurisdictions in which common-law marriage is recognized (38 C. J. 1297) or there is a statutory provision to the effect that the removal of such impediment creates a valid marriage. There is no such statute in Hawaii, nor are common-law marriages recognized. [Italics supplied.]*

The position of the 51 jurisdictions in recognizing common-law marriages is shown in table 1. It is to be noted that there is an almost even division among the jurisdictions on this subject; 24 recognize common-law marriages, and 27 do not. A large proportion of the problem—both as to marriage and as to illegitimate children—could be solved if there were uniform provisions with respect to such marriages.

Table 1.—States listed in accordance with legal recognition of common-law marriage, 1941

States recognizing common-law marriage	States not recognizing common-law marriage
Alabama.	Arizona (recognized before Oct. 1, 1913).
Alaska (not recognized between May 3, 1917, and Apr. 28, 1933).	Arkansas.
Colorado.	California (recognized before May 26, 1895).
District of Columbia.	Connecticut.
Florida.	Delaware.
Georgia.	Hawaii.
Idaho.	Illinois (recognized before July 1, 1905).
Indiana.	Iowa.
Iowa.	Kansas.
Kansas.	Michigan.
Michigan.	Minnesota.
Minnesota.	Mississippi (not recognized between 1892 and April 21, 1906).
Mississippi (not recognized between 1892 and April 21, 1906).	Montana.
Montana.	Nevada.
Nevada.	New Hampshire (if, upon death of 1 of the parties, relationship had existed for 3 years).
New Hampshire (if, upon death of 1 of the parties, relationship had existed for 3 years).	Ohio.
Ohio.	Oklahoma.
Oklahoma.	Pennsylvania.
Pennsylvania.	Rhode Island.
Rhode Island.	South Carolina.
South Carolina.	South Dakota.
South Dakota.	Texas.
Texas.	Wyoming.
Wyoming.	
	Arizone (recognized before Oct. 1, 1913).
	Arkansas.
	California (recognized before May 26, 1895).
	Connecticut.
	Delaware.
	Hawaii.
	Illinois (recognized before July 1, 1905).
	Iowa.
	Kansas.
	Michigan.
	Minnesota.
	Mississippi (not recognized between 1892 and April 21, 1906).
	Montana.
	Nevada.
	New Hampshire (if, upon death of 1 of the parties, relationship had existed for 3 years).
	Ohio.
	Oklahoma.
	Pennsylvania.
	Rhode Island.
	South Carolina.
	South Dakota.
	Texas.
	Wyoming.
	Arizone (recognized before Oct. 1, 1913).
	Arkansas.
	California (recognized before May 26, 1895).
	Connecticut.
	Delaware.
	Hawaii.
	Illinois (recognized before July 1, 1905).
	Iowa.
	Kansas.
	Michigan.
	Minnesota.
	Mississippi (not recognized between 1892 and April 21, 1906).
	Montana.
	Nevada.
	New Hampshire (if, upon death of 1 of the parties, relationship had existed for 3 years).
	Ohio.
	Oklahoma.
	Pennsylvania.
	Rhode Island.
	South Carolina.
	South Dakota.
	Texas.
	Wyoming.

Attempts to marry which fail.—In States which do not recognize common-law marriage there are difficulties which arise because parties intending to be married fail to comply with all the requirements of the jurisdiction. Mention has already been made of the fact that in some cases individuals obtain a marriage license but fail to have a ceremony performed, believing they have complied with the law. In other instances individuals are "married" by people who are not authorized to perform marriage ceremonies. Or individuals may have been "married" by persons authorized to perform marriage ceremonies, but have failed to obtain a marriage license as required by law. There is conflict among the States as to whether marriages of these types are valid or invalid. For example, New York law provides that the requirement of a marriage license is directory only, whereas under Missouri law a license is required, and marriages contracted without such license are null and void.

In one illustrative case the following agreement had been made in writing:

G-----, Ill., June 2nd, 1915

This certifies that I, L----- S----- and C----- F----- of -----, Iowa, have this day entered into a common Law Marriage. Said L----- S----- agrees to live together in the ordinance of Law and in the State of Matrimony. The said C----- F----- agrees to live together in the ordinance of Law and in the state of Matrimony. The said L----- S----- and the said C----- F----- both agree that this contract be as binding as though a marriage license were issued and a marriage ceremony performed.

Witness our hand this 2nd day of June 1915.

(Signed) L----- S-----
C----- F-----

Witness: W. H-----

Witness: J----- D-----

Justice of the Peace.

This agreement, in itself, would not be sufficient to constitute a valid marriage in Illinois. It would be necessary for the justice of the peace actually to solemnize the marriage by some formality or ceremony in which he declared the parties to be married. Probably some such phrase as "I now pronounce you man and wife" would be satisfactory, but its lack would leave the parties legally unmarried.

The good faith of the parties, together with the intention to enter into a legal relationship and the belief that such a relationship is legal, are frequently deemed insufficient or immaterial in establishing a legal relationship in those States which do not recognize common-law marriage.

Unless the letter of the law has been observed, the claims of such parties must be disallowed.

Illegitimate Children

It should be clear from the preceding discussion that the illogical and unsocial treatment of illegitimate children is due largely to similar treatment of the mothers of these children. A revision of the law to provide for uniform treatment of wives and widows more in accord with common sense and justice would also eliminate to a great extent the discrimination against illegitimate children. In addition to the types of situations already discussed, a few additional points in regard to illegitimate children are worthy of mention.

Inheritance rights.—When the wage earner is the mother, her issue may become entitled to insurance benefits without being legitimate; only rarely, however, can illegitimate children of a male wage earner become entitled until the father has complied with the State requirement for legitimation. These requirements vary from State to State and fall roughly into three classifications: intermarriage of the parties; recognition or acknowledgment of the child by his father; or a combination of these requirements.

Occasionally, as in the following illustration, a child is able to meet the legitimation requirements and becomes eligible for benefits.

The wage earner, W, who was domiciled in Oklahoma, died in October 1940. He was survived by an illegitimate child and a widow (not the mother of the child). For the child to be considered a "child" for purposes of the act there must have been recognition of the child in writing by the father, in accordance with Oklahoma law. Fortunately for the claimant, the wage earner's mother had preserved a letter written by him to her, and reading in part as follows:

I received your letter. Was indeed glad to hear from you. this leave all well. Hope you are the same. Oh yes L—[the child's mother]—have got a boy and she is planning on you coming to get it. It sure is a beautiful baby. He got a full head of hair, dimple in his cheek, big feet. Ha ha ha ha. He was born on Dec. 15, 1938 . . .

In a postscript to the letter the wage earner indicated that he had given the child his own name. The fortuitous existence of this personal and informal letter established legitimation and benefit rights for the child, since acknowledgment under Oklahoma law must be in writing. The fact that there were probably a dozen people who could testify that the deceased was the father of the

child was immaterial. Had the letter been destroyed, the child would not have received benefits.

It is interesting to note in this connection that, although the Board is compelled frequently to exclude the wage earner's own illegitimate issue, the illegitimate child of the wage earner's wife by an earlier relation with some other man may, under the present wording of the act, be considered a stepchild of the wage earner and receive benefits based upon the wage earner's wage record. Thus, if the child in the case just cited had been the illegitimate child of the woman to whom the wage earner was married at the time of his death, the child's benefits would have been payable without any question as to whether the wage earner was the natural father of the child.

In a majority of the States even a written acknowledgment would not be sufficient to enable the child to inherit. Generally it is necessary that the father marry the mother of the child in order to accomplish this result. The fact that the wage earner was supporting his child, was living with it, and was otherwise treating it as any normal father would, is also immaterial in most States as far as determining legal relationship—and hence benefit rights—is concerned. For example:—

The wage earner, H, filed claim in February 1940 for primary insurance benefits and also for benefits on behalf of his three minor children. The wage earner's claim was allowed, but the claim for the three children was disallowed because they were illegitimate. Whereupon the wage earner petitioned the probate court to legitimate his three sons. In December 1940 the court legitimated the children, and insurance benefits were immediately awarded to them.

Since most claims of children under the age of 18 arise in connection with the death of an insured wage earner, the opportunity for compliance with the legitimation requirements is often no longer available. In only a minority of the cases similar to the two illustrated above is it possible to legitimate the child.

Inheritance rights versus the right to support.—One reason for excluding illegitimate children under the intestacy laws of the various States is to prevent an illegitimate child from laying claim to the estate of an alleged father. However, in all or practically all States the child may lay claim to support from his father. The father's moral obligation has been held by the courts to be a sufficient consideration for his express agreement to support the child; if he promises to pay the

mother or a third person for the child's support, such promise is enforceable.²

Furthermore, there are statutes in nearly all States by which the mother of an illegitimate child, or, if she is a pauper or likely to become one, the public authorities may institute a special action, called a bastardy prosecution, against the man claimed to be the father of the child, and on proof of the fact the court has power to make him pay a stated allowance for the child's support.³

Thus the incapacity of an illegitimate child to inherit from his father does not destroy his right to support. State laws clearly recognize his dependency status. In fact, some States specifically stipulate that illegitimate children are eligible to receive benefits under workmen's compensation laws on account of an injury suffered by the father. For example, reference may be made to the following excerpt from the compiled laws of Oregon:

Section 102-1764. In case an unmarried man and an unmarried woman shall have cohabited in the State of Oregon as husband and wife for over one year prior to the death of or accidental injury received by such man, and children shall be living as a result of said relation, said woman and said children shall be entitled to compensation under the [workmen's compensation] act the same as if said man and woman had been legally married.

Other States place illegitimate children among those eligible to benefit by defining the term "child" very broadly; still others bring them in by including those children to whom the father stood in loco parentis. It seems incongruous that the old-age and survivors insurance system, developed to protect dependents of deceased wage earners, should be prevented from paying benefits to bona fide dependent children because of laws relative to inheritance rights.

Foster Children

While title II of the Social Security Act recognizes the benefit rights of adopted children and stepchildren as well as those of natural children, foster children are ignored even though they are in fact part of the wage earner's family and look to him for the everyday necessities of life. Adoption proceedings, like most legal proceedings, are luxuries beyond the reach of workers in the low income groups. Adequate statistical information as to the number of foster children in the United

States is not readily available, but it seems reasonable to assume that the foster parent-child relationship is at least as frequent among covered wage earners as is the adoption relationship. It is self-evident that a foster child dependent upon an insured wage earner needs the protection of the law as much as the adopted child or his own child and should have protection for the same reasons.

Aside from being beyond the reach of a great part of our insured population, adoption proceedings are frequently a remote and unfamiliar action to them. When foster children are brought into the household, formalization of the relationship seems unnecessary to many foster parents. The following quotation is from a statement made by a widow whose claim for benefits on behalf of her foster child was disallowed:

In 1930 C-----, my sister-in-law, sent for me. My husband and I went to her home. She was ill and told us she did not believe she was going to live. She told me and my husband that we could have the baby, J. E. C-----; that she wanted us to take the child, and that whichever of us lived the longer should keep the child. The next day she died and the child has been with me ever since that time. My first husband, R. B-----, died in 1935, and in accordance with our agreement, the child continued to live with me as my child. We had always treated him as our own. *We did not adopt him as we did not know it was necessary, nor did we ever discuss whether or not he could inherit from us.* We considered him as our child because he had been given to us.

In October 1935 I married J. T. B-----, and the child, J. E. C. B----- lived with us as our own child. *Neither of us thought of adopting him.* [Italics supplied.]

The italicized phrases above are probably typical of the thought that is given by many foster parents to the question of securing inheritance rights for the foster child. Undoubtedly it is a prevailing practice among families in all walks of life, and particularly in the lower income groups, to take in the orphan of a brother, sister, or other close relative and "bring up" the child.

Even when the parents are aware of the significance of adoption proceedings, difficulties beset them which are detrimental to the child's benefit rights, through no fault of its own. For example, consider this excerpt from an affidavit filed with the Bureau:

... On or about April 30, 1930, the mother agreed to and did surrender full custody of said child to her. A petition was prepared for the child's adoption but was not carried through because the father demanded payment for his consent and there was no money available. However, on or about April 1, 1931, the father and mother both signed the consent for adoption of M----- by H. and F. L----- but then Mr. L----- had no money to pay the costs and fees involved. During all these intervals M----- was considered and reared up as my own child . . .

² Peck, Epaphroditus, *The Law of Persons and of Domestic Relations* (3d ed.), Chicago, 1930, p. 399.

³ *Ibid.*, pp. 399-400.

In addition, many cases have been filed in which the child was taken from an orphan's home and the preliminary steps to adoption were made, but the legal action necessary to perfect the adoption was never completed. In other cases, the foster parent contracted with a children's home to adopt the child but did not comply with the agreement.

The prevalence of such practices is perhaps indicated by the fact that, of the 26 States in which the Bureau has had cases requiring submission to the Office of the General Counsel, 24 have been found to have a theory known as "equitable adoption." Under this theory a foster child may be recognized as a "child" under State law, and hence as a "child" within the meaning of section 209 (m), if the foster parent has contracted to adopt the child but has failed to fulfill the obligation. A curious feature of equitable adoption is that the child is not considered an adopted child, since legal adoption has not been completed, but rather is considered technically a "child," since it can inherit.

The theory of equitable adoption is not a satisfactory solution to the problem, not only because some States have no such theory but also because a specific contract is usually necessary before the theory can become operative.

Ample precedent has been found in the workmen's compensation laws of many States for the inclusion of the foster child as a dependent. Some define "child" to include the child to whom the deceased employee stood in loco parentis. Others include the adopted child and define this term to cover children who are treated as adopted as well as those who have been legally adopted. A larger group define actual dependents (in contrast to presumed dependents) in terms broad enough to permit the inclusion of the foster child. Provided that safeguards are written into the legislation which would limit benefits to bona fide cases, the inclusion of foster children under title II would make more nearly complete the system of protection offered to the dependent children of insured wage earners.

Toward a Solution to the Problem

Experience in making administrative determinations on family relationship seems to indicate clearly the need for modification of the existing provisions of law. Two methods of approach to a solution to the problem suggest themselves. The

first would be to write into the Social Security Act specific provisions which would extend benefit rights to individuals who are found to be in the types of situations previously described. The second method would be to substitute for the present provisions a definition of familial relationships that would be Federal in scope and would permit the application of uniform principles to this aspect of the old-age and survivors insurance program.

It is also clear from the Board's experience that any modifications adopted must take into consideration and offer a solution to the specific questions discussed above. These questions relate to the circumstances under which a valid marriage shall be deemed to have been created; to the determination of which of several marriages shall be deemed to be valid; to considerations of good faith on the part of individuals entering into imperfect relationships; and to the possible extension of benefit rights to illegitimate and foster children. These and other questions must be considered and answered in any proposal to solve the problems examined in this article—problems that arise from marriages which to the individuals concerned and to the community are frequently not distinguishable from the legally perfect marriage except in a technical sense.

Modification of the existing provisions with respect to dependents' and survivors' benefit rights under the program would in no way attempt to modify or control the application of State laws with respect to familial relationships in any of the areas in which the States have jurisdiction. Deviations from existing determinations under State law would relate exclusively to the payment of benefits under title II. These benefits are paid from Federal funds and are supported by Federal taxes uniformly levied and collected.

A uniform definition of relationship which can be applied in the administration of the old-age and survivors insurance program would not of itself solve all the problems which arise out of the conflict of laws in the spheres of marriage, divorce, and domicile. But it should prove a long step in the direction of a solution. It would allow simplification of the administration of the program, and the protection of dependents of insured wage earners could be achieved more realistically in situations which at present frequently give rise to benefit awards and claim disallowances that are counter to the intent and social policy of the program.

PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE • DIVISIONS OF
OPERATING STATISTICS AND ANALYSIS AND SOCIAL STATISTICS AND RESEARCH

Statistics for the United States, June 1941

Total assistance and earnings decreased for the third successive month.—In June, total expenditures for public assistance and earnings under the several Federal work programs in the continental United States amounted to \$189.4 million, a decrease of 5.3 percent from the previous month and 13.5 percent from the previous June (table 1). Payments in June are estimated to have benefited 4.7 million households including 12.4 million persons—4.5 and 5.1 percent less, respectively, than in May (table 2).

Smaller amounts were expended in June than in the same month of the previous year for general relief and for all the Federal work programs except those of the National Youth Administration.

All but one of the Federal work programs decreased from May; FSA subsistence payments increased.—Total earnings on projects of the Work Projects Administration decreased 8.5 percent to \$80.7 million in June, and the number employed declined 5.3 percent to 1.4 million. Earnings under the Civilian Conservation Corps and the number enrolled each decreased 12.6 percent. Earnings under the student work program of the NYA were 23.4 percent less than in May, and the number employed 22.9 percent less; the out-of-school work program showed declines of 1.5 percent in earnings and 1.8 percent in employment. Earnings under other Federal agency projects financed from emergency funds increased

Chart 1.—Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–June 1941

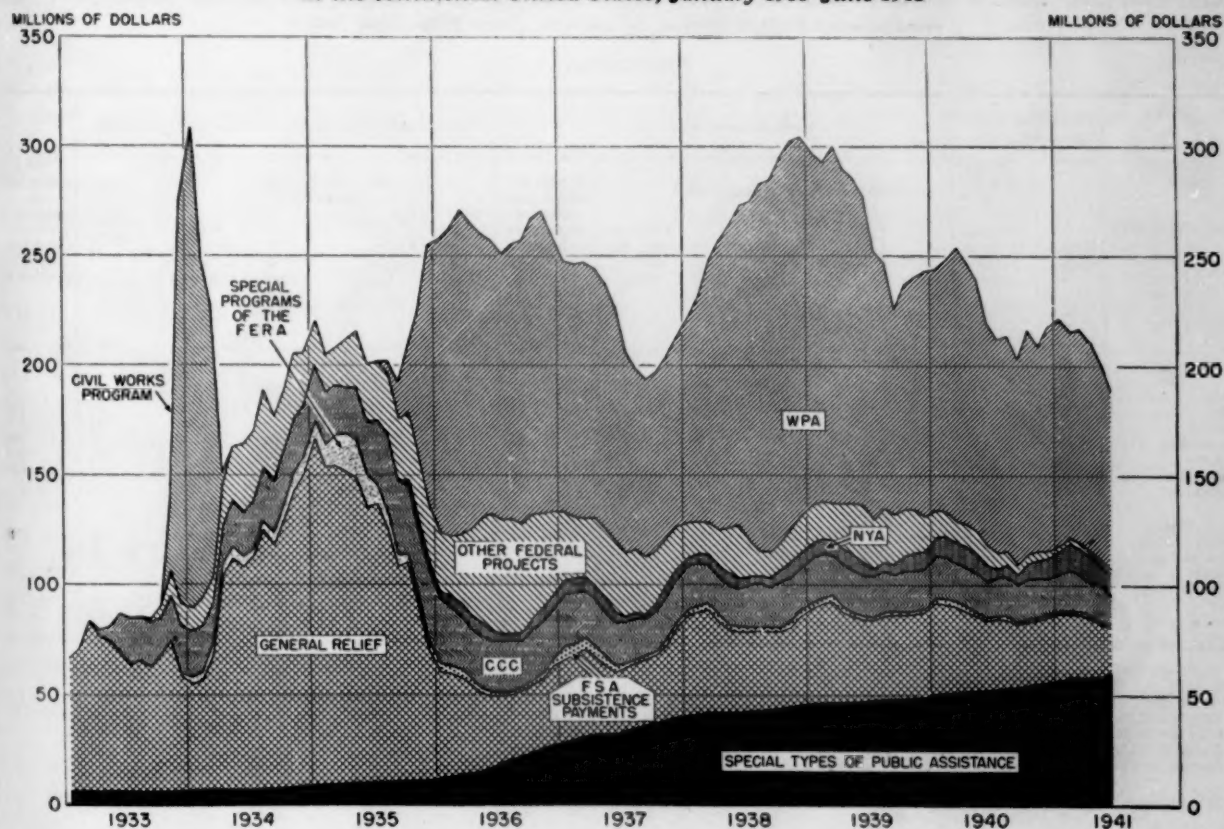


Table 1.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by month, June 1940–June 1941¹

[In thousands]

Year and month	Total ¹	Assistance to recipients					Earnings of persons employed under Federal work programs						Earnings on regular Federal construction projects ³
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration ²	Civilian Conservation Corps ⁴	National Youth Administration ⁵		Work Projects Administration ⁶	Other Federal agency projects financed from emergency funds ⁷		
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program				
1940													
June.....	\$218, 973	\$39, 189	\$10, 982	\$1, 822	\$31, 447	\$1, 516	\$15, 872	\$2, 314	\$5, 708	\$100, 419	\$9, 704	\$36, 016	
July.....	212, 104	39, 643	11, 090	1, 818	32, 192	637	18, 137	2	3, 407	97, 086	8, 092	30, 176	
August.....	213, 570	39, 943	11, 223	1, 832	31, 732	940	19, 022	4	4, 759	97, 333	6, 782	43, 517	
September.....	203, 261	40, 034	11, 328	1, 829	28, 547	732	16, 828	106	4, 822	93, 507	5, 528	46, 833	
October.....	216, 356	40, 864	11, 558	1, 846	29, 379	811	18, 479	2, 236	4, 911	101, 789	4, 483	55, 904	
November.....	209, 405	41, 306	11, 718	1, 848	29, 033	831	18, 725	3, 064	5, 450	98, 532	3, 898	66, 010	
December.....	217, 978	41, 858	11, 990	1, 862	30, 080	1, 037	16, 314	3, 109	6, 463	102, 285	2, 980	85, 867	
1941													
January.....	222, 275	42, 523	12, 298	1, 868	30, 544	1, 455	17, 110	2, 776	7, 901	103, 514	2, 286	103, 026	
February.....	215, 436	43, 001	13, 192	1, 871	28, 872	1, 617	18, 152	3, 165	9, 224	94, 080	2, 262	113, 377	
March.....	216, 811	43, 440	12, 766	1, 870	28, 758	1, 953	16, 178	3, 283	8, 929	97, 400	2, 234	110, 364	
April.....	209, 565	43, 838	12, 866	1, 883	26, 269	1, 607	15, 073	3, 352	8, 405	93, 689	2, 583	115, 017	
May.....	200, 103	44, 074	12, 856	1, 894	23, 272	908	14, 765	3, 385	8, 115	88, 236	2, 598	105, 159	
June.....	189, 396	45, 659	12, 805	1, 894	20, 580	1, 532	12, 902	2, 592	7, 992	80, 746	2, 695	108, 581	

¹ Data are partly estimated and subject to revision. For January 1933–May 1940, see the Bulletin, February 1941, pp. 66–68. For definitions of terms see the Bulletin, July 1941, pp. 28–30.

² Data exclude earnings on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC.

⁵ Data from the NYA.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from total; data from the Bureau of Labor Statistics.

Table 2.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by month, June 1940–June 1941¹

[In thousands]

Year and month	Estimated unduplicated total ¹		Recipients of assistance						Persons employed under Federal work programs						Persons employed on regular Federal construction projects ³
	Households	Persons in these households	Special types of public assistance				Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration ²	Civilian Conservation Corps ⁴	National Youth Administration ⁵		Work Projects Administration ⁶	Other Federal agency projects financed from emergency funds ⁷		
			Old-age assistance	Aid to dependent children		Aid to the blind				Student work program	Out-of-school work program				
				Families	Children										
1940															
June.....	5, 383	15, 129	1, 967	346	831	72	1, 354	60	240	313	299	1, 734	81	312	
July.....	5, 058	14, 340	1, 986	349	840	72	1, 362	31	274	(⁹)	196	1, 639	68	329	
August.....	5, 100	14, 484	2, 001	353	849	72	1, 342	43	287	1	239	1, 684	52	343	
September.....	4, 992	14, 065	2, 016	357	859	72	1, 258	35	254	24	238	1, 673	43	389	
October.....	5, 202	14, 442	2, 034	360	867	72	1, 230	34	279	352	232	1, 743	34	454	
November.....	5, 279	14, 585	2, 051	364	874	73	1, 212	36	283	439	262	1, 771	29	612	
December.....	5, 364	14, 813	2, 066	370	891	73	1, 239	44	246	449	326	1, 826	23	710	
1941															
January.....	5, 448	15, 073	2, 075	376	909	73	1, 257	57	258	442	419	1, 858	18	715	
February.....	5, 461	15, 069	2, 082	383	924	73	1, 229	54	274	459	482	1, 850	17	794	
March.....	5, 366	14, 685	2, 107	387	935	73	1, 210	62	244	471	459	1, 718	17	756	
April.....	5, 161	13, 920	2, 125	391	942	74	1, 153	50	228	478	418	1, 575	19	767	
May.....	4, 917	13, 065	2, 146	392	944	74	1, 038	34	223	462	391	1, 453	19	714	
June.....	4, 698	12, 391	2, 166	391	942	74	934	38	195	356	384	1, 376	19	709	

¹ Data are partly estimated and subject to revision. For January 1933–May 1940, see the Bulletin, February 1941, pp. 68–70. For definitions of terms see the Bulletin, July 1941, pp. 28–30.

² Estimated by the Work Projects Administration and the Social Security Board. Excludes persons employed on regular Federal construction projects.

³ Data from the FSA.

⁴ Data from the CCC.

⁵ Data from the NYA.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics.

⁸ Excluded from estimated unduplicated total; data from the Bureau of Labor Statistics.

⁹ Less than 500 persons.

3.7 percent, while the number employed remained the same. Subsistence payments by the FSA and recipients of such payments in June were, respectively, 68.7 and 11.8 percent above May.

Food stamp plan.—Data on the food stamp plan administered by the U. S. Department of Agriculture are presented in table 3.

Total payments for old-age assistance increased from May; payments for aid to dependent children and aid to the blind decreased.—In June 1941, payments for the three special types of public assistance in the continental United States, Alaska, and Hawaii totaled \$60.5 million, an increase of 2.6 percent from the previous month and 16.5 percent from June 1940. Old-age assistance payments were 3.6 percent greater than in May and 17.0 percent greater than in June 1940. Payments for aid to dependent children decreased 0.4 percent from May, but were 17.0 percent greater than in June of the previous year. Aid to the blind declined less than 0.1 percent from May, but

Table 3.—Food stamp plan: Number of areas included and participants, and value of surplus-food stamps issued in the continental United States, by month, June 1940 and December 1940–June 1941¹

Year and month	Number of areas included ²	Number of participants ³		Value of surplus-food stamps issued
		Cases	Persons	
June..... 1940	83	507,021	1,488,500	\$3,161,982
December.....	231	921,025	2,821,600	6,587,993
January..... 1941	246	961,642	2,980,700	7,027,393
February.....	265	986,363	3,108,600	7,201,683
March.....	288	1,152,990	3,703,100	8,934,051
April.....	307	1,226,768	3,830,900	9,547,251
May.....	346	1,230,000	3,968,900	9,902,603
June ⁴	363	1,212,153	3,927,700	9,944,755

¹ Data do not include persons receiving commodities under direct distribution program of the Surplus Marketing Administration or value of such commodities.

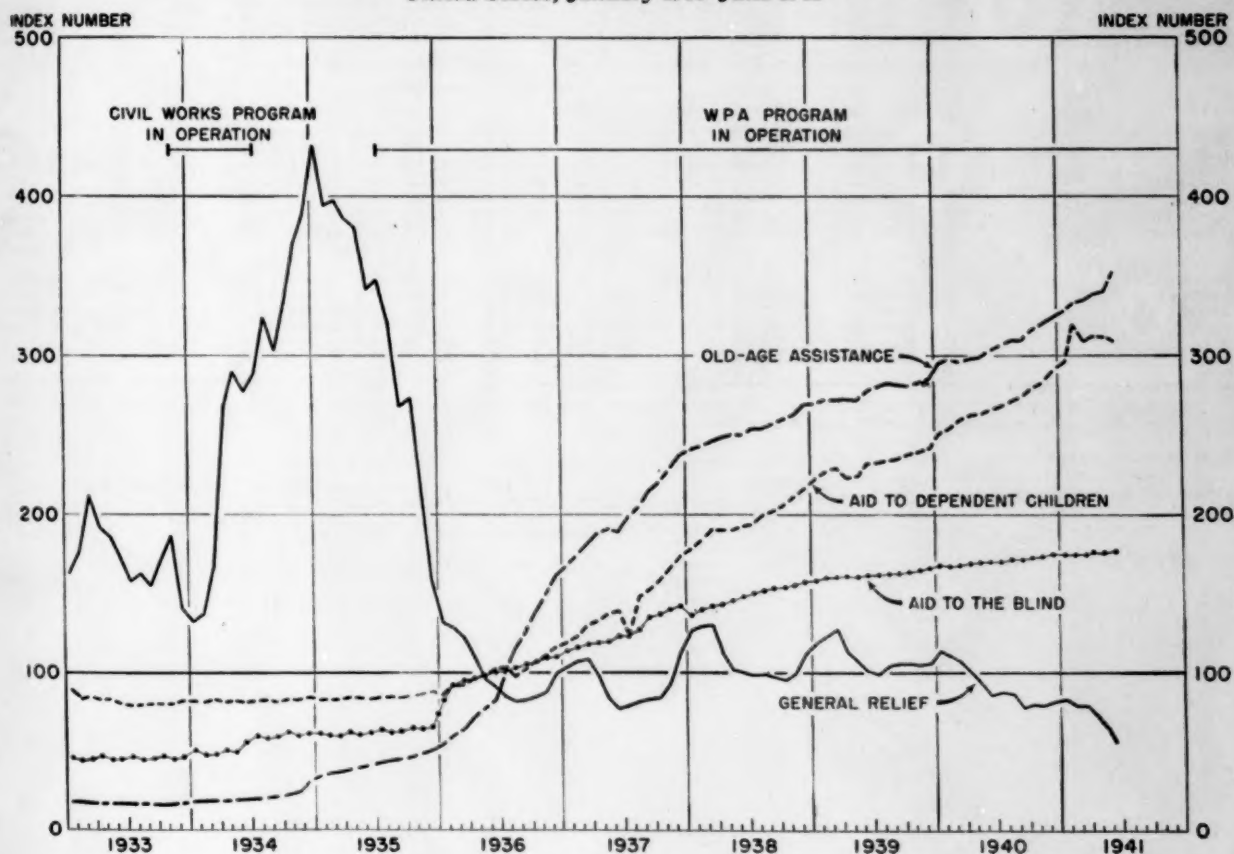
² An area represents a city, county, or group of counties.

³ Includes recipients of 3 special types of public assistance and of subsistence payments from the FSA; recipients of, and those eligible for, general relief; persons certified as in need of relief and employed on or awaiting assignment to projects financed by the WPA. Includes for 1 area (Shawnee, Okla.) some low-income families having weekly income of less than \$19.50 who have been eligible to participate since October 1939.

⁴ Preliminary.

Source: U. S. Department of Agriculture, Surplus Marketing Administration.

Chart 2.—Special types of public assistance and general relief: Index of payments to recipients in the continental United States, January 1933–June 1941



increased 4.7 percent over June 1940. Of total payments to recipients, more than 98 percent—\$59.5 million—was expended in States with plans approved by the Social Security Board. The remaining \$1.0 million represented payments in States which do not have approved plans under the Social Security Act.

General relief payments decreased to less than two-

thirds the total for June 1940.—Payments for general relief from State and local funds to 934,000 cases amounted to \$20.6 million in June, a decrease of 11.6 percent from May and of 34.6 percent from June 1940 (table 1). In 41 States reporting comparable data, the total number of cases and the amount of payments in June were 9.1 and 9.6 percent less, respectively, than in May (table 8).

Table 4.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, June 1940–June 1941¹

Year and month	Number of recipients				Amount of payments to recipients			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
All States								
1940								
June.....	1,970,156	333,018	801,754	47,542	\$51,057,366	\$39,252,780	\$10,686,141	\$1,118,445
July.....	1,989,545	336,288	811,170	47,812	51,617,258	39,706,938	10,791,455	1,118,865
August.....	2,004,626	339,646	820,557	48,102	52,056,887	40,007,939	10,920,916	1,128,032
September.....	2,019,562	343,366	829,052	48,301	52,253,747	40,099,450	11,029,036	1,128,261
October.....	2,037,344	346,549	836,290	48,548	53,322,361	40,930,351	11,255,356	1,136,654
November.....	2,054,345	352,149	848,458	48,836	53,970,338	41,372,613	11,451,950	1,145,775
December.....	2,069,763	358,450	865,304	49,015	54,792,726	41,925,127	11,717,362	1,150,237
1941								
January.....	2,078,353	364,421	882,882	49,111	55,769,329	42,589,711	12,027,414	1,152,204
February.....	2,084,868	371,044	898,620	49,248	57,154,886	43,067,986	12,929,908	1,150,992
March.....	2,110,204	375,583	909,744	49,370	57,164,834	43,507,904	12,495,133	1,161,797
April.....	2,128,170	379,503	916,775	49,534	57,667,586	43,906,094	12,595,564	1,165,928
May.....	2,149,068	380,682	918,543	49,691	57,898,592	44,142,017	12,581,488	1,175,087
June.....	2,169,529	379,594	916,742	49,817	59,439,376	45,728,206	12,531,778	1,179,392
Continental United States								
1940								
June.....	1,966,930	331,870	797,892	47,475	50,951,885	39,189,487	10,644,994	1,117,404
July.....	1,986,316	335,131	807,279	47,744	51,509,976	39,642,592	10,740,604	1,117,780
August.....	2,001,358	338,506	816,714	48,034	51,950,138	39,943,196	10,880,017	1,126,925
September.....	2,016,261	342,179	825,113	48,233	52,143,882	40,034,084	10,985,638	1,124,160
October.....	2,034,024	345,350	832,302	48,479	53,210,497	40,864,365	11,210,560	1,135,872
November.....	2,051,006	350,929	844,453	48,768	53,857,406	41,306,151	11,406,554	1,144,701
December.....	2,066,410	357,215	861,236	48,948	54,678,404	41,858,109	11,671,091	1,149,204
1941								
January.....	2,074,988	363,133	878,812	49,043	55,655,147	42,522,552	11,981,434	1,151,161
February.....	2,081,507	369,812	894,603	49,179	57,041,579	43,000,824	12,884,833	1,155,922
March.....	2,106,856	374,354	905,747	49,299	57,051,043	43,440,270	12,450,080	1,160,063
April.....	2,124,793	378,267	912,742	49,462	57,553,041	43,838,187	12,550,015	1,164,879
May.....	2,145,684	379,446	914,542	49,622	57,784,119	44,074,023	12,536,069	1,174,027
June.....	2,166,132	378,381	912,833	49,740	59,325,300	45,659,347	12,487,602	1,178,351

¹ For data for all States for February 1936–December 1937, see the Bulletin, July 1939, p. 52; for January 1938–May 1940, see the Bulletin, February 1941, p. 74. For definitions of terms see the Bulletin, July 1941, pp. 28–30.

Table 5.—Old-age assistance: Recipients and payments to recipients, by State, June 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—				Number of recipients per 1,000 estimated population 65 years and over ¹
				May 1941 in—		June 1940 in—		
				Number of recipients	Amount of payments	Number of recipients	Amount of payments	
Total for continental United States.....	2,166,132	\$45,659,347	\$21.08	³ +0.9	³ +3.6	⁴ +9.5	⁴ +14.8	⁵ 245
Total for 51 States with plans approved by the Social Security Board.....	2,169,529	45,728,206	21.08	³ +.9	³ +3.6	⁴ +9.4	⁴ +14.8	⁵ 245
Alabama.....	20,086	183,613	9.14	+1	+3	+7	-1.5	⁶ 170
Alaska.....	1,572	45,633	29.03	-1	+1.8	+7.9	+11.6	383
Arizona.....	8,863	250,286	28.24	+6	+1.2	+8.9	+11.1	368
Arkansas.....	26,046	200,367	7.69	(⁷)	-2	+32.9	+35.2	⁶ 303
California.....	156,329	5,908,628	37.80	+5	+5	+10.3	+9.8	285
Colorado.....	⁷ 42,551	⁷ 1,437,803	33.79	+3	+13.8	+3.6	+4.2	⁷ 468
Connecticut.....	17,636	487,435	27.64	(⁷)	-2.8	+3.2	+7.0	139
Delaware.....	2,507	29,102	11.61	+4	+1.2	-6.7	-4.4	120
District of Columbia.....	3,494	89,960	25.74	-3	-1	+4.2	+5.9	87
Florida.....	37,688	495,298	13.14	-7	+2	+7.0	+17.0	290
Georgia.....	51,742	430,811	8.33	+2.2	+2.5	+83.2	+90.7	⁸ 346
Hawaii.....	1,825	23,226	12.73	+8	+3	+3.2	+3.6	⁸ 142
Idaho.....	9,318	212,108	22.76	+7	+1.0	+4.3	+8.0	293
Illinois.....	146,636	3,397,249	23.17	+5	+1.4	+6.2	+18.0	259
Indiana.....	67,236	1,245,231	18.52	+1	+4	+1.8	+5.8	235
Iowa.....	56,983	1,190,417	20.89	+3	+4	+3.8	+5.7	261
Kansas.....	28,885	559,886	19.38	+9	+1.0	(⁷)	+10.7	⁸ 229
Kentucky.....	57,806	516,810	8.94	+2.5	+2.5	+18.6	+21.3	306
Louisiana.....	36,099	482,792	13.37	+2.2	+2	+13.3	+27.4	⁸ 368
Maine.....	12,502	290,555	20.84	-7	-7	-9.3	-9.6	156
Maryland.....	17,942	320,302	17.85	-4	-4	-2.9	-9	146
Massachusetts.....	87,070	2,517,725	28.92	-2	-2	+2.4	+4.0	237
Michigan.....	88,768	1,530,820	17.13	+3.8	+4.2	+21.1	+25.1	270
Minnesota.....	63,081	1,349,108	21.39	+2	+4	+3	+2.2	297
Mississippi.....	26,621	233,261	8.76	+8	+1.2	+23.8	+30.6	234
Missouri.....	113,787	2,039,891	17.93	+9	+1.1	+23.6	+37.7	350
Montana.....	12,464	253,613	20.35	+1	+9	+2.4	+15.3	356
Nebraska.....	29,024	496,619	17.11	+4	+9	+4.5	+8.3	273
Nevada.....	2,317	61,653	26.61	-2	-1	+2.0	+2.2	346
New Hampshire.....	6,994	151,579	21.67	+1.2	+1.5	+21.9	+26.1	146
New Jersey.....	31,174	666,321	21.37	(⁷)	+5	+4	+4.8	112
New Mexico.....	4,750	81,944	17.25	-1.4	-1.9	+6.0	+26.5	⁸ 275
New York.....	121,496	3,002,798	24.72	+2	+2	+2.4	+7.4	133
North Carolina.....	37,549	382,350	10.18	+3	+4	+5.2	+5.7	⁸ 250
North Dakota.....	9,234	160,772	17.41	+1.0	+1.7	+4.7	+8.6	241
Ohio.....	137,871	3,217,435	23.34	+5	+7	+12.8	+15.1	258
Oklahoma.....	76,469	1,377,052	18.01	+3	+5	+5.8	+7.6	530
Oregon.....	21,059	451,153	21.42	+2.1	+2.1	+9.8	+10.1	227
Pennsylvania.....	108,567	2,323,311	22.43	+1	+9	+5.4	+9.0	154
Rhode Island.....	6,976	142,282	20.40	+5	+1.1	+3.0	+7.7	128
South Carolina.....	17,683	140,566	7.95	+2.0	+5.1	-10.7	-13.8	⁸ 253
South Dakota.....	14,968	286,618	19.15	-1	-2	+1.5	-1.4	345
Tennessee.....	40,154	407,567	10.15	-1	(⁷)	-4	-4	⁸ 266
Texas.....	138,677	2,565,321	18.50	+4.5	+68.5	+17.1	+110.1	402
Utah.....	14,284	381,130	26.68	+6	+9	+4.8	+32.1	473
Vermont.....	5,775	97,515	16.89	-9	-5	+6.1	+12.0	169
Virginia.....	20,080	201,104	10.02	+4	+6	+15.2	+17.5	132
Washington.....	57,072	1,851,812	32.45	(¹⁰)	(¹⁰)	(¹⁰)	(¹⁰)	401
West Virginia.....	19,278	286,966	14.89	+1.1	+2.7	+8.2	+16.0	188
Wisconsin.....	54,018	1,227,896	22.73	+2	+1	+5.1	+7.5	223
Wyoming.....	3,523	84,622	23.99	+1	(⁷)	+3.5	+4.7	⁸ 303

¹ For definitions of terms see the Bulletin, July 1941, pp. 28-30.

² Population 65 years and over as of Apr. 1, 1940, estimated from 5-percent sample by the U. S. Bureau of the Census.

³ Excludes Washington, for which data on both recipients and payments are not comparable.

⁴ Excludes Kansas and Washington, for which data on both recipients and payments are not comparable.

⁵ Adjusted for payments covering 2 or more eligible individuals.

⁶ Increase of less than 0.05 percent.

⁷ Includes \$122,836 incurred for payments to 3,631 persons 60 but under 65 years. Rate per 1,000 excludes these recipients.

⁸ Comparable data not available.

⁹ Decrease of less than 0.05 percent.

¹⁰ Not comparable, because complete data for June 1941 have not been received.

Table 6.—Aid to dependent children: Recipients and payments to recipients, by State, June 1941¹

State	Number of recipients		Amount of payments to recipients	Average payment per family	Percentage change from—						Number of recipients per 1,000 estimated population under 16 years ¹
	Families	Children			May 1941 in—			June 1940 in—			
					Number of recipients	Amount of payments	Number of recipients	Amount of payments			
									Families	Children	
Total for continental United States.....	391,195	1,941,922	\$12,805,500	\$32.73							
Total for 44 States with plans approved by the Social Security Board.....	370,594	1,916,742	12,531,778	33.01	-0.3	-0.2	-0.4	+13.4	+13.7	+17.3	31
Alabama.....	5,801	16,815	80,009	13.79	-6	-1	-4	-1.9	-1.9	-4.5	17
Alaska.....	100	10	500								
Arizona.....	2,471	6,563	81,112	32.83	+5	+8	+1.1	-2.9	-7.0	-1.0	40
Arkansas.....	6,462	16,486	87,254	13.50	-3	-3	-9	+40.6	+37.3	+58.1	25
California.....	15,864	37,815	758,008	47.78	+2	+1	+1	+2.2	+2	+7.3	25
Colorado.....	6,362	15,572	192,636	30.28	-8	-8	-1.0	+6.7	+7.3	+7.7	50
Connecticut.....	1,290	3,650	58,100								
Delaware.....	624	1,735	21,770	34.89	+1.1	+7	+1.9	+21.6	+25.1	+30.2	27
District of Columbia.....	982	2,888	36,611	37.28	+7	-2.5	-9	+5.3	+4.8	+5.3	22
Florida.....	4,235	10,974	94,515	22.32	-2.1	+1.9	-1.1	+11.9	+13.8	+14.2	22
Georgia.....	4,749	11,788	104,217	21.95	-1.2	-1.5	-1.2	+24.5	+20.3	+33.9	12
Hawaii.....	1,213	3,909	44,176	36.42	-1.9	-2.3	-2.7	+5.7	+1.2	+7.4	26
Idaho.....	3,048	7,666	91,750	30.10	+5	+9	+1.0	+5.3	+7.8	+10.5	48
Illinois.....	7,409	16,886	178,635								
Indiana.....	17,032	35,108	494,759	29.05	-1.0	-7	-6	-1.9	-1.8	+1.2	36
Iowa.....	5,485	7,751	66,878								
Kansas.....	6,610	15,634	191,992	29.05	-2	-1	-1.0	(7)	(7)	+6.0	33
Kentucky.....	1,490	1,370	17,000								
Louisiana.....	15,812	39,658	428,926	27.13	+3	+1	(7)	+20.9	+8.4	+38.5	53
Maine.....	1,545	3,864	61,184	39.60	(7)	-6	(7)	+1.2	-8	+3.4	16
Maryland.....	6,531	17,740	199,378	30.53	-2.2	-1.0	-1.9	-10.9	-10.1	-12.6	36
Massachusetts.....	12,684	31,234	709,445	55.93	-7	-9	-1.5	+5.1	+2.5	+4	31
Michigan.....	21,459	50,768	868,008	40.45	+2	+3	+1	+15.1	+10.9	+21.0	36
Minnesota.....	9,398	22,284	321,077	34.16	-4	-6	-1.0	+6.0	+5.0	+5.3	30
Mississippi.....	999	2,713	20,547	20.57	+106.0	+102.0	+106.8	(19)	(19)	(19)	4
Missouri.....	13,937	32,297	414,829	29.76	+1.6	+1.6	+1.7	+25.8	+21.8	+57.0	34
Montana.....	2,643	6,411	77,591	29.36	-6	-8	-5	+11.5	+11.7	+17.0	42
Nebraska.....	11,852	13,077	161,337	27.57	+3	+4	+6	+7.8	+8.1	+8.6	37
Nevada.....	110	268	2,706								
New Hampshire.....	578	1,407	26,347	45.58	-9	-1.6	-1.6	-14.1	-18.5	-12.6	11
New Jersey.....	10,486	23,833	331,379	31.60	-3.6	-3.5	-3.4	-6.7	-5.3	-4.5	25
New Mexico.....	2,011	5,710	52,851	26.28	-1.8	-2.0	-1.9	+6.5	+4.1	+11.2	29
New York.....	33,203	65,242	1,528,743	46.04	-1.2	-1.3	-1.1	-7.9	-8.4	-5.9	22
North Carolina.....	9,858	23,585	166,510	16.89	-5	-7	-4	+5.4	+1.3	+7.0	19
North Dakota.....	2,502	6,946	78,150	31.24	-2	+7	-1	+5.7	+5.6	+5.9	24
Ohio.....	11,820	31,730	465,281	39.36	+4	+2	(13)	+19.0	+14.4	+22.4	19
Oklahoma.....	19,562	44,879	298,437	15.26	+2	+4	+2.6	+5.4	+5.3	+11.0	61
Oregon.....	2,067	4,887	84,481	40.87	+1.3	+1.5	+1.3	+4.4	+4.6	+7.9	17
Pennsylvania.....	63,300	158,348	2,339,076	36.92	-1.1	-1.1	-1.1	+66.5	+82.8	+72.5	61
Rhode Island.....	1,305	3,730	59,384	45.50	+1.0	+1.2	+9	+7.9	+14.1	+7.7	20
South Carolina.....	3,760	10,992	70,388	18.72	+3.8	+2.8	+4.8	+26.9	+22.9	+44.8	16
South Dakota.....	1,522	3,548	41,214	27.08	+4.6	+4.1	+4.9	(15)	(15)	(15)	19
Tennessee.....	14,343	35,921	266,617	18.59	-2	-3	-2	+1.1	-3	+2.1	29
Texas.....	10	250	680								
Utah.....	4,024	10,483	168,343	41.83	+9	+9	+8	+18.7	+25.0	+40.6	56
Vermont.....	613	1,693	20,041	32.69	(7)	+2	+4	+7.7	+2.5	+7.3	17
Virginia.....	4,342	12,813	86,868	20.01	+1.2	+5	+5	+45.9	+36.6	+42.5	16
Washington.....	5,309	12,653	192,365	36.23	+1.1	+1.4	+1.7	+6.6	+7.1	+23.1	32
West Virginia.....	9,360	24,992	231,334	24.72	+1.4	+1.2	+2.9	+19.9	+16.1	+29.9	36
Wisconsin.....	12,484	28,383	457,450	36.64	-1.7	-1.6	-2.1	+1.5	+9	+2.1	30
Wyoming.....	772	1,968	25,388	32.89	+3	+6	+5	+3.3	+6.6	+6.6	26

¹ For definitions of terms see the Bulletin, July 1941, pp. 28-30. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Population under 16 years of age as of Apr. 1, 1940, estimated from 5-percent sample by the U. S. Bureau of the Census.

³ Includes an unknown number of children 16 years and over.

⁴ Comparison for 41 States; excludes Mississippi and South Dakota, which did not have approved plans for June 1940, and Kansas, for which data on both recipients and payments are not comparable.

⁵ Estimated.

⁶ Includes aid to dependent children administered under State law without Federal participation.

⁷ Comparable data not available.

⁸ Decrease of less than 0.05 percent.

⁹ No change.

¹⁰ No approved plan for June 1940.

¹¹ In addition, in 70 counties payments amounting to \$12,759 were made from local funds without Federal participation to 746 families in behalf of 1,705 children under the State mothers'-pension law; some of these families also received aid under State plan approved by the Social Security Board.

¹² Increase of less than 0.05 percent.

¹³ Includes 642 children 16 years and over. Rate per 1,000 excludes these children.

¹⁴ Includes 265 children 16 years and over. Rate per 1,000 excludes these children.

¹⁵ Includes approximately 2,900 children 16 years and over. Rate per 1,000 excludes these children.

Table 7.—Aid to the blind: Recipients and payments to recipients, by State, June 1941¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—				Number of recipients per 100,000 population ¹
				May 1941 in—		June 1940 in—		
				Number of recipients	Amount of payments	Number of recipients	Amount of payments	
Total for continental United States.....	74,032	\$1,893,592	\$25.58					
Total for 43 States with plans approved by the Social Security Board.....	49,817	1,179,392	23.67	+0.3	+0.4	³ +4.7	³ +6.3	49
Alabama.....	615	5,577	9.07	— .5	— .1	+2.5	+3.4	22
Arizona.....	404	11,069	27.40	+1.0	+8	+13.5	+17.9	81
Arkansas.....	1,142	10,381	9.09	+3	— .4	+40.6	+48.7	59
California.....	7,290	350,839	48.13	(⁴)	(⁴)	+1.8	+2.0	106
Colorado.....	607	19,145	31.54	+1.0	+3.5	— 4.3	+9.9	54
Connecticut.....	⁵ 233	⁶ 6,761	29.02	+7.9	+11.1	(⁶)	+13.0	⁷ 14
District of Columbia.....	234	7,148	30.55	+1.3	+1.5	+11.4	+31.9	35
Florida.....	⁸ 2,536	⁹ 35,331	13.93	— .6	+1	+7.9	+18.0	¹⁰ 134
Georgia.....	1,576	17,088	10.84	+1.5	+1.9	+41.9	+52.6	50
Hawaii.....	68	1,041	15.31	(⁷)	(⁷)	(⁷)	(⁷)	16
Idaho.....	278	6,249	22.48	(⁸)	+2	(⁸)	+2.3	53
Illinois.....	7,410	223,487						
Indiana.....	2,369	49,363	20.84	— .1	+2	— 2.6	— .4	69
Iowa.....	1,527	36,719	24.05	+6	+5	+5.1	+7.0	60
Kansas.....	1,402	28,915	20.62	— .6	— 1.3	(⁹)	+14.4	78
Louisiana.....	1,260	21,692	17.22	+3.0	+3.1	+18.1	+36.5	53
Maine.....	1,071	24,333	22.72	+1	— .2	— 12.9	— 13.1	126
Maryland.....	671	14,472	21.57	— 1.0	— .5	— 1.8	+3	37
Massachusetts.....	1,175	27,882	23.73	— .1	+1	— .7	+1.5	27
Michigan.....	1,244	29,766	23.93	+1.9	+2.0	+44.1	+59.4	24
Minnesota.....	975	26,200	26.87	— .5	+2	+4.3	+3.1	35
Mississippi.....	1,071	9,277	8.66	+4.0	+5.2	+37.3	+49.7	49
Missouri.....	¹¹ 3,800	¹² 84,000						
Montana.....	260	5,763	22.17	+4.0	+5.4	+33.3	+40.0	46
Nebraska.....	¹³ 718	¹⁴ 15,027	20.93	+4	+1.5	+4.4	+10.1	¹⁵ 55
Nevada.....	17	528						
New Hampshire.....	330	7,559	22.91	+6	+1.1	+4.1	+4.7	67
New Jersey.....	739	17,531	23.72	— 1.6	— 1.6	+2.6	+4.6	18
New Mexico.....	218	4,068	18.66	(¹⁶)	— .5	— 6.4	— .2	41
New York.....	2,845	73,171	25.72	— .2	+3	(¹⁷)	+7.1	21
North Carolina.....	1,911	28,601	14.97	+5	+3	— 1.8	— 1.5	54
North Dakota.....	219	4,241	19.37	— 4.8	— 12.2	+21.0	+10.2	34
Ohio.....	3,998	80,416	20.11	— .6	— 1.1	+1.3	+4.5	58
Oklahoma.....	2,153	35,334	16.41	+1	+2.2	— 2.5	+3.9	92
Oregon.....	465	11,596	24.94	+1.3	+1.2	+2.9	+1.6	43
Pennsylvania.....	¹⁸ 13,656	¹⁹ 407,286						
Rhode Island.....	84	1,677	19.96	(²⁰)	(²⁰)	(²⁰)	(²⁰)	
South Carolina.....	801	8,223	10.27	+2.2	+3.0	+9	— 4.3	12
South Dakota.....	281	4,734	16.85	+7	+3	+18.1	+12.0	42
Tennessee.....	1,645	18,413	11.19	+4	+3	+2.4	+3.5	44
Utah.....	183	4,897	26.27	+5	+1.2	— 9.4	— 7.9	56
Vermont.....	158	3,455	21.87	(²¹)	+2.2	+3.3	— 4.3	33
Virginia.....	1,025	12,923	12.61	— .9	— .5	+2	— .6	44
Washington.....	1,041	35,734	34.33	— .2	+7	+4	+13.0	38
West Virginia.....	862	15,982	18.54	+1.4	+2.4	+6.8	+13.7	60
Wisconsin.....	1,983	46,850	23.63	— .2	— .2	— 1.2	+5	45
Wyoming.....	150	4,039	26.93	(²²)	— 1.0	+1.4	— 1.2	63

¹ For definitions of terms see the Bulletin, July 1941, pp. 28-30. Figures in italics represent programs administered under State laws from State and local funds without Federal participation. Delaware, Texas, and Alaska do not have programs for aid to the blind, and information on status of program in Kentucky is not available.

² Total population as of Apr. 1, 1940, from the U. S. Bureau of the Census.

³ Comparison for 41 States; excludes Connecticut and Kansas, for which data on both recipients and payments are not comparable.

⁴ Decrease of less than 0.05 percent.

⁵ Includes aid to the blind administered under State law without Federal participation.

⁶ Comparable data not available.

⁷ Figures too small for comparison.

⁸ No change.

⁹ Estimated.

¹⁰ Increase of less than 0.05 percent.

Table 8.—General relief: Cases and payments to cases in the continental United States, by State, June 1941¹

State	Number of cases receiving relief	Amount of payments to cases	Average payment per case	Percentage change from—		
				May 1941 in—		June 1940 in amount of payments
				Number of cases	Amount of payments	
Total for continental United States ²	934,000	\$20,580,000				
Total for 41 States ³	823,478	18,677,141	\$22.68	-9.1	-9.6	⁴ -26.4
Alabama	2,387	21,373	8.95	-1.7	-1.4	-10.6
Arizona	2,799	46,339	16.56	-9.0	-5.8	-7.6
Arkansas	3,463	15,918	4.60	-19.8	-36.7	-31.3
California ⁵	33,340	720,407	21.61	-2.8	-2.2	-9.6
Colorado ⁶	10,013	142,035	14.19	-20.1	-15.9	-23.4
Connecticut	8,742	222,552	25.46	-9.7	-12.3	-48.3
Delaware	951	18,781	19.75	-11.4	-9.9	-24.5
District of Columbia	2,075	50,988	24.57	-3.4	-4	-2.9
Florida	8,343	59,883	7.18	-1.1	-2.4	+3.1
Georgia	5,880	38,342	6.52	-1.4	-1	-8.8
Idaho	1,410	19,474	13.81	-3.2	-6.0	-39.6
Illinois	113,900	2,453,979	21.55	-10.0	-8.8	-24.8
Indiana ⁷	23,490	323,042	13.75	-15.5	-14.3	-41.2
Iowa	18,759	274,046	14.61	-10.1	-13.5	-21.4
Kansas	12,186	179,093	14.70	-8.1	-11.4	-26.2
Kentucky	⁸ 5,000	⁹ 44,000				
Louisiana	12,244	194,555	15.89	+5	-5	+37.6
Maine	6,898	147,105	21.33	-11.5	-5.7	-27.5
Maryland	7,240	146,273	20.20	-5.8	-6.3	-17.8
Massachusetts	36,732	868,801	23.65	-10.2	-13.9	(¹⁰)
Michigan	32,829	645,999	19.68	-18.7	-16.9	-34.8
Minnesota	23,303	477,236	20.48	-13.6	-13.8	-35.1
Mississippi	745	2,809	3.77	-18.8	-11.6	-27.6
Missouri	19,879	264,730	13.32	-7.1	-3.8	-4.3
Montana	3,004	44,793	14.91	-9.3	-9.6	-19.7
Nebraska	5,763	60,597	10.51	-14.9	-16.6	-38.3
Nevada	426	7,439	17.46	-10.7	-8	+8
New Hampshire	¹¹ 4,600	¹² 96,000				
New Jersey ¹³	26,539	582,091	21.93	-16.0	-15.4	-47.0
New Mexico ¹⁴	1,759	12,412	7.06	-2.0	-9.8	+3
New York	¹⁵ 199,949	7,240,571	36.21	-5.9	-4.5	-13.6
North Carolina	4,435	28,606	6.45	-3.6	-11.4	(¹⁶)
North Dakota	2,556	32,564	12.74	-10.7	-13.4	-31.6
Ohio	47,980	782,108	16.30	-13.6	-15.2	-40.0
Oklahoma	¹⁷ 11,514	50,012	(¹⁸)	(¹⁹)	+33.2	-22.3
Oregon	6,581	108,264	16.45	-8.9	-8.5	-13.7
Pennsylvania	123,071	2,378,181	19.32	-8.7	-19.8	-49.2
Rhode Island ²⁰	3,220	98,085	30.46	-17.1	-32.1	-59.0
South Carolina	2,261	18,562	8.21	+4.0	+4.0	-6.8
South Dakota	3,126	43,725	13.99	-22.0	-12.7	-11.8
Tennessee	²¹ 2,600	²² 15,000				
Texas	9,503	82,868	8.72	-8.3	-3.1	-19.5
Utah	4,855	130,962	26.97	-7.9	-12.7	+20.0
Vermont	1,599	27,110	16.95	-12.5	-13.3	-30.9
Virginia	5,352	53,327	9.96	-5.2	-2.4	-15.4
Washington	9,605	151,491	15.77	-7.6	-10.7	-1.5
West Virginia	12,572	118,601	9.43	-16.4	-6.4	-6.3
Wisconsin	24,106	472,461	19.60	-15.3	-11.7	-43.5
Wyoming	870	13,816	15.88	-21.1	-16.8	-16.4

¹ For definitions of terms see the Bulletin, July 1941, pp. 28-30.² Partly estimated. Does not represent sum of State figures because totals are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.³ Excludes Kentucky, Tennessee, and New Hampshire, for which figures are estimated; Colorado, Indiana, New Jersey, and Rhode Island, for which data include medical care, hospitalization, and/or burial; and Oklahoma (see footnote 11).⁴ Comparison for 39 States. In addition to States mentioned in footnote 3, Massachusetts and North Carolina are also excluded because comparable data are not available.⁵ County indigent aid only. It is estimated that, in addition, 28,800 cases received \$733,000 from the State relief administration.⁶ Includes unknown number of cases receiving medical care, hospitalization,

and/or burial only, and total payments for these services.

⁷ Estimated.⁸ Comparable data not available.⁹ State program only; excludes program administered by local officials.¹⁰ Includes cases receiving medical care only; number believed by State agency to be insignificant.¹¹ Represents 4,803 cases aided under program administered by State board of public welfare, and 6,711 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.¹² State unemployment relief program only. Includes unknown number of cases receiving medical care and/or hospitalization only, and total payments for these services. It is estimated that, in addition, 2,400 cases received \$40,000 from local officials.

Statistics by States, May 1941

Total expenditures less than in April in 36 States.—In May 1941, total payments to recipients of public assistance and earnings under the several Federal work programs in the continental United States were less than in April 1941 in all

but 13 States. Decreases occurred in earnings of persons employed on WPA projects in 34 States. Obligations incurred for general relief were less in 40 States, and earnings of CCC enrollees declined in 37 States. Subsistence payments by the FSA

Table 9.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by State, May 1941¹

[In thousands]

State	Total	Assistance to recipients					Earnings of persons employed under Federal work programs					Earnings on regular Federal construction projects
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds	
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program			
Total.....	\$200,104	\$44,074	\$12,856	\$1,894	\$23,272	\$908	\$14,765	\$3,385	\$8,115	\$88,236	\$2,598	\$105,153
Alabama.....	2,925	183	80	6	22	5	644	65	207	1,714	(²)	1,461
Arizona.....	1,076	247	80	11	49	45	197	17	37	378	14	333
Arkansas.....	2,609	201	88	10	25	15	709	36	134	1,800		156
California.....	14,685	5,877	757	351	1,964	135	374	203	296	4,634	193	9,277
Colorado.....	3,126	1,263	194	18	169	21	154	41	64	1,159	42	701
Connecticut.....	1,523	502	58	6	254	(³)	33	26	75	564	5	1,049
Delaware.....	1,240	29	21		21	(³)	12	3	18	135		430
District of Columbia.....	1,128	90	37	7	53		33	18	29	727	134	2,356
Florida.....	2,901	494	96	35	61	5	246	40	101	1,758	65	1,658
Georgia.....	3,155	420	105	17	38	4	490	83	250	1,737	11	1,406
Idaho.....	909	210	91	6	21	13	47	23	37	455	3	139
Illinois.....	14,142	3,350	175	227	2,692	17	544	190	470	6,214	265	4,173
Indiana.....	4,793	1,241	498	49	377	5	225	84	230	2,074	10	7,942
Iowa.....	3,080	1,185	70	37	317	5	122	63	134	1,148		855
Kansas.....	2,629	554	194	29	202	18	108	66	114	1,281	3	1,139
Kentucky.....	3,015	504	17		41	24	542	72	166	1,621	28	1,233
Louisiana.....	3,354	482	429	21	196	31	413	66	159	1,557		2,535
Maine.....	1,054	262	61	24	156	6	78	22	98	347		1,071
Maryland.....	1,604	322	203	15	156	4	77	35	123	644	25	3,635
Massachusetts.....	8,661	2,524	720	28	1,009	(³)	206	89	258	3,803	23	4,568
Michigan.....	7,203	1,459	867	29	777	28	347	138	302	3,242	14	779
Minnesota.....	5,110	1,343	324	26	554	31	326	70	175	2,260	1	382
Mississippi.....	2,393	230	10	9	3	40	511	49	139	1,402	1	1,666
Missouri.....	6,945	2,018	408	84	275	54	557	108	244	3,070	126	4,206
Montana.....	1,231	251	78	5	50	30	96	23	35	657	5	288
Nebraska.....	2,455	492	160	15	73	49	143	44	82	1,356	41	316
Nevada.....	193	62	3	1	8	(³)	18	3	5	94	(³)	233
New Hampshire.....	654	149	27	7	117	2	22	12	19	298		1,243
New Jersey.....	5,457	663	343	18	688	1	192	69	257	3,172	55	6,093
New Mexico.....	1,159	84	54	4	14	5	212	15	32	670	71	335
New York.....	22,099	2,996	1,546	73	7,583	7	630	317	785	7,743	419	4,497
North Carolina.....	3,001	381	167	29	32	39	472	69	262	1,517	4	3,304
North Dakota.....	1,106	158	78	5	38	13	151	29	46	589	(³)	96
Ohio.....	11,609	3,194	465	81	922	20	548	156	466	5,326	430	3,313
Oklahoma.....	4,326	1,370	291	35	38	21	625	94	182	1,669	2	537
Oregon.....	1,679	442	83	11	118	17	78	35	58	787	49	1,443
Pennsylvania.....	15,916	2,303	2,366	408	2,965	12	1,078	220	457	6,074	34	5,997
Rhode Island.....	930	141	59	2	144	(³)	86	16	38	437	7	2,043
South Carolina.....	2,748	134	67	8	18	8	226	60	161	1,736	330	2,008
South Dakota.....	1,268	287	39	5	50	35	165	37	53	598	(³)	165
Tennessee.....	3,070	408	267	18	15	12	604	58	186	1,492	10	3,273
Texas.....	7,265	1,523	1		86	42	1,051	179	486	3,844	54	3,571
Utah.....	1,418	378	167		150	12	40	32	46	564	25	286
Vermont.....	377	98	20	3	31	1	13	9	17	185		45
Virginia.....	2,038	200	86	13	55	24	402	80	157	987	4	7,373
Washington.....	3,996	1,779	189	35	170	14	128	51	125	1,419	85	4,427
West Virginia.....	2,799	279	225	16	127	9	408	45	110	1,578	2	553
Wisconsin.....	4,905	1,227	467	47	535	24	294	87	144	2,076	4	323
Wyoming.....	344	84	25	4	17	7	26	7	16	154	3	241

¹ See footnotes to table 1. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Partly estimated; does not represent total of State figures, because total payments for medical care, hospitalization, and burial are excluded.

³ Less than \$500.

⁴ Includes total payments for medical care, hospitalization, and/or burial.

⁵ Estimated.

⁶ State program only; excludes program administered by local officials.

⁷ State unemployment relief program only; includes total payments for medical care and hospitalization. It is estimated that, in addition, \$42,000 was expended by local officials.

decreased in 27 States, and earnings of employees on other Federal agency projects financed from emergency funds were less in 22 States. Earnings under the out-of-school work program of the NYA were smaller in 33 States, but earnings under the student work program increased in 30 States.

Increases in the amount of obligations incurred for payments to recipients of old-age assistance in May were reported by 40 States; to families and children receiving aid to dependent children, by 32 States; and to recipients of aid to the blind, by 33 States.

Table 10.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by State, May 1941¹

State	Recipients of assistance					Persons employed under Federal work programs							Persons employed on regular Federal construction projects
	Special types of public assistance			Cases receiving general relief	Cases for which subistence payments were certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds			
	Old-age assistance	Aid to dependent children					Aid to the blind	Student work program			Out-of-school work program		
		Families	Children										
Total	2,145,684	392,374	943,942	73,896	1,038,000	33,939	222,872	461,664	391,325	1,453,159	19,214	713,575	
Alabama	20,059	5,834	16,825	618	2,429	111	9,719	10,863	11,092	33,377	4	12,366	
Arizona	8,806	2,459	6,512	400	3,075	2,412	2,981	2,099	2,018	5,359	107	2,394	
Arkansas	26,035	6,483	16,537	1,139	4,318	478	10,708	6,022	8,117	30,463		1,878	
California	155,508	15,840	37,778	7,292	71,870	6,548	5,649	22,236	11,358	62,057	1,481	59,680	
Colorado	42,406	6,413	15,701	601	12,534	794	2,322	5,090	2,926	17,687	237	6,291	
Connecticut	17,629	1,897	8,970	216	9,681	1	500	3,227	3,306	7,813	82	7,944	
Delaware	2,497	617	1,723		1,073	14	186	556	983	2,131		3,601	
District of Columbia	3,504	975	2,963	231	2,148		503	1,634	1,571	8,321	775	12,887	
Florida	37,946	4,326	10,767	2,551	8,434	97	3,707	5,531	6,108	28,080	533	12,813	
Georgia	50,613	4,805	11,971	1,553	5,962	61	7,389	12,902	13,545	32,564	161	13,264	
Idaho	9,257	3,032	7,599	278	1,456	421	716	3,156	1,608	7,367	34	1,183	
Illinois	145,883	7,491	16,609	7,474	126,533	782	8,212	26,626	22,263	98,443	1,830	20,741	
Indiana	67,193	17,210	35,373	2,372	27,815	224	3,398	12,068	11,072	37,668	97	40,138	
Iowa	56,812	5,549	7,963	1,518	20,875	176	1,840	8,325	7,039	20,325		6,229	
Kansas	28,625	6,624	15,653	1,411	13,264	927	2,535	9,345	5,746	22,174	15	8,080	
Kentucky	56,430	4,480	1,360		4,700	261	8,187	8,853	7,710	30,744	189	10,421	
Louisiana	35,334	15,768	39,628	1,223	12,189	829	6,239	8,699	8,385	29,072		17,961	
Maine	12,591	1,545	3,887	1,070	7,791	198	1,173	2,566	3,473	5,262		10,466	
Maryland	18,011	6,678	17,921	678	7,082	135	1,164	4,347	6,707	8,806	192	24,945	
Massachusetts	87,218	12,773	31,628	1,176	40,921	9	3,114	11,819	12,439	59,502	188	24,971	
Michigan	85,515	21,414	30,625	1,221	40,397	610	5,232	16,882	12,583	52,345	118	6,303	
Minnesota	62,956	9,439	22,408	980	26,976	1,248	4,915	10,024	8,340	39,226	13	3,433	
Mississippi	26,409	485	1,343	1,030	918	1,134	7,715	6,723	7,625	29,846	27	19,415	
Missouri	112,802	13,711	31,787	4,800	21,396	2,036	8,402	16,231	13,641	53,027	772	25,546	
Montana	12,448	2,660	6,461	250	3,313	1,026	1,455	3,115	1,770	9,204	55	2,059	
Nebraska	28,899	5,834	13,024	715	6,773	2,665	2,161	6,543	4,250	21,408	389	2,945	
Nevada	2,322	114	878	18	477	5	275	339	276	1,344	1	1,514	
New Hampshire	6,913	583	1,430	328	5,267	40	338	1,344	938	5,163		7,273	
New Jersey	31,188	10,879	24,686	751	31,589	52	2,892	10,318	11,699	44,986	395	35,781	
New Mexico	4,816	2,047	5,828	218	1,795	173	3,193	2,193	1,557	10,478	463	3,015	
New York	121,314	33,598	66,082	2,852	212,594	243	9,515	43,019	31,559	108,168	2,912	29,399	
North Carolina	37,441	9,908	23,742	1,901	4,601	597	7,125	12,816	14,654	30,848	102	21,752	
North Dakota	9,145	2,507	6,901	230	2,862	597	2,282	4,706	2,381	10,546	2	967	
Ohio	137,239	11,777	31,656	4,023	55,545	721	8,269	20,797	20,578	82,819	2,772	23,126	
Oklahoma	76,232	19,518	44,701	2,151	10,618	845	9,432	14,902	8,200	33,898	16	4,893	
Oregon	20,626	2,040	4,514	459	7,222	855	1,182	4,411	2,745	9,947	420	10,142	
Pennsylvania	103,417	64,074	160,054	13,582	134,730	454	16,275	30,903	20,237	94,453	509	38,688	
Rhode Island	6,942	1,292	3,685	81	3,885	7	1,303	1,905	1,794	6,528	37	17,642	
South Carolina	17,340	3,623	10,692	784	2,173	119	3,417	8,685	9,301	27,440	2,568	14,979	
South Dakota	14,979	1,455	3,408	279	4,010	1,969	2,492	6,390	2,663	10,741	1	1,647	
Tennessee	40,207	14,374	36,034	1,638	2,700	210	9,114	7,374	11,392	31,373	135	21,715	
Texas	132,762	87	4,290		10,363	1,339	15,864	23,157	25,297	79,742	618	32,687	
Utah	14,200	3,990	10,389	182	5,269	374	597	4,443	2,313	9,032	205	2,104	
Vermont	5,828	613	1,690	158	1,828	22	201	1,231	769	2,974		431	
Virginia	19,993	4,291	12,746	1,034	5,648	334	6,064	10,055	10,124	18,546	24	51,285	
Washington	54,906	5,253	12,477	1,043	10,360	431	1,926	6,386	5,631	18,428	648	24,789	
West Virginia	19,059	9,235	24,706	850	15,034	127	6,166	7,328	4,617	27,689	31	7,089	
Wisconsin	53,926	12,694	28,851	1,987	28,454	917	4,441	12,629	6,040	33,323	29	2,869	
Wyoming	3,518	770	1,956	150	1,103	311	387	861	885	2,422	27	1,933	

¹ See footnotes to table 2. Figures in italics represent programs administered under State laws from State and local funds without Federal participation.

² Partly estimated; does not represent total of State figures, because data are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only.

³ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only.

⁴ Estimated.

⁵ State program only; excludes program administered by local officials.

⁶ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁷ Represents 4,469 cases aided under program administered by State board of public welfare, and 6,149 cases aided by county commissioners; amount of duplication believed to be large.

⁸ State unemployment relief program only; includes unknown number of cases receiving medical care and/or hospitalization only. It is estimated that, in addition, 2,500 cases were aided by local officials.

Statistics for Urban Areas, May 1941

Total expenditures decreased from April and were substantially below May of the previous year.—In May 1941, total expenditures for public and private aid in 116 urban areas in the United States amounted to \$76.5 million, a decrease of 4.6 percent from the April total and of 17.5 percent from expenditures for May 1940 (tables 11 and 12). Of the total amount expended, \$34.7 million or 45.3 percent represented earnings of persons employed on projects operated by the WPA; \$23.5 million or 30.7 percent, payments to recipients of the special types of public assistance; and \$17.6 million or 23.0 percent, general relief from public funds. Private assistance amounted to \$796,000, about 1.0 percent of total payments.

The largest percentage decrease from April—8.6 percent—occurred in payments for general relief from public funds. Earnings under projects

Table 11.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration in 116 urban areas, May 1941

[Corrected to July 21, 1941]

Type of funds	Amount ¹	Percentage change from—		Percentage distribution		
		April 1941	May 1940	May 1941	April 1941	May 1940
Total.....	\$76,475,274	-4.6	-17.5	100.0	100.0	100.0
Public.....	75,679,713	-4.6	-17.6	99.0	99.0	99.1
Special types of public assistance ²	23,453,671	+4	+14.6	30.7	29.1	22.1
Old-age assistance.....	16,507,460	+7	+13.5	21.6	20.4	15.7
Aid to dependent children ³	6,145,764	-3	+19.0	8.0	7.7	5.6
Aid to the blind ⁴	800,447	+6	+5.1	1.1	1.0	.8
General relief ⁵	417,558,055	-8.6	-26.7	23.0	24.0	25.9
WPA earnings ⁶	34,667,987	-5.8	-27.0	45.3	45.9	51.1
Private ⁷	795,561	-3.2	-7.4	1.0	1.0	.9

¹ Excludes cost of administration, of materials, equipment, and other items incident to operation of work programs, and of transient care. Data for assistance programs include obligations incurred for burials, in addition to obligations incurred for money payments, assistance in kind, medical care, and hospitalization.

² Includes data for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

³ Includes direct and work relief and statutory aid to veterans administered on basis of need.

⁴ Includes \$4,632 administered by private agencies.

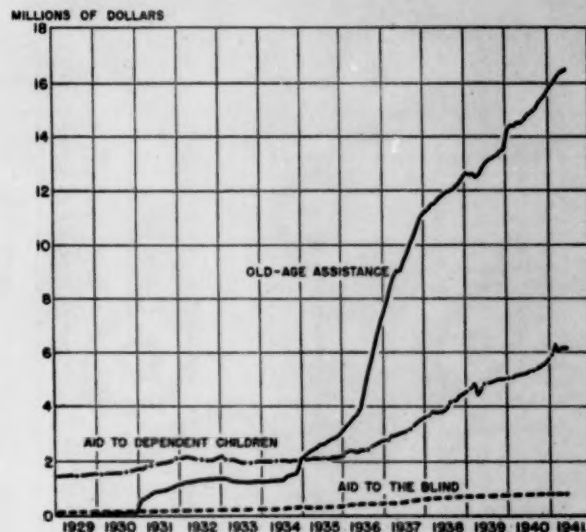
⁵ Data from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Data are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

⁶ Includes direct and work relief and aid to veterans.

⁷ Includes \$825 administered by public agencies. Includes estimate of \$118,265 of which \$114,065 represents expenditures of agencies for which monthly reports are not available.

⁸ Based on data from agencies reporting monthly.

Chart 3.—Payments to recipients of the special types of public assistance in 116 urban areas, January 1929–May 1941



operated by the WPA decreased 5.8 percent. Payments for aid to dependent children were 0.3 percent less than in April. The comparatively small amount expended for assistance from private funds declined 3.2 percent from the previous month. Payments for old-age assistance increased 0.7 percent and aid to the blind 0.6 percent.

The largest decrease from the previous May—27.0 percent—was in earnings on projects operated by the WPA. A decrease of 26.7 percent was reported in obligations incurred for general relief from public funds. Assistance payments from private funds also were less than in May of the previous year. Total payments for the special types of public assistance, on the other hand, were 14.6 percent larger. Monthly assistance payments for old-age assistance increased 13.5 percent; for aid to dependent children, 19.0 percent; and for aid to the blind, 5.1 percent.

The change from April in aggregate expenditures for all areas combined reflects decreases in 78 and increases in 38 of the 116 urban areas. In 33 areas, decreases were 10 percent or more. Increases of 10 percent or more were reported for 15 areas.

Table 12.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban area, May 1941

[Corrected to July 21, 1941]

State and urban area	Area included	Total ¹	Public funds						Private funds ²	Percentage change in total from—	
			Total	Old-age assistance	Aid to dependent children ³	Aid to the blind ⁴	General relief ⁵	WPA earnings ⁶		April 1941	May 1940
Alabama:											
Birmingham	County	\$388,109	\$387,667	\$22,639	\$22,319	\$862	\$7,110	\$334,737	\$442	+17.9	-13.7
Mobile	do.	138,418	137,909	7,466	2,240	129	1,080	126,994	509	+5.2	+22.7
California:											
Los Angeles	do.	5,112,786	5,086,948	2,412,905	267,963	164,746	884,399	1,356,935	25,838	-5.4	-12.6
Oakland	do.	934,958	931,800	331,287	48,009	24,594	103,090	424,820	3,158	-14.8	-26.0
Sacramento	do.	345,039	343,588	143,253	22,287	7,612	19,257	151,179	1,451	+12.0	+12.9
San Diego	do.	587,695	586,267	305,545	29,918	13,595	51,609	185,600	1,428	+4.9	-12.6
San Francisco	do.	1,322,894	1,304,144	442,457	56,861	26,656	199,881	578,289	18,750	-5	-18.8
Colorado: Denver	do.	929,257	926,928	345,466	63,174	5,187	67,560	445,541	2,329	+29.7	+26.6
Connecticut:											
Bridgeport	City	106,731	104,580	38,287	6,297	757	\$ 27,174	32,065	2,151	-13.2	-44.7
Hartford	do.	199,938	190,273	59,658	6,475	1,145	\$ 71,356	51,639	9,665	-16.2	-27.5
New Britain	do.	38,495	38,237	13,557	2,273	94	\$ 3,783	18,530	258	-4.5	-57.7
New Haven	do.	163,444	160,517	58,626	7,055	1,160	\$ 38,315	55,352	2,927	-8.7	-45.3
Delaware: Wilmington	County	157,963	155,942	18,190	12,781	19,185	105,786	2,021	15,786	-15.8	-11.6
Dist. of Col.: Washington	City	807,374	793,140	90,883	36,948	7,039	53,616	604,654	14,234	+2.4	+3.9
Florida:											
Jacksonville	County	352,815	352,127	48,870	9,795	3,185	6,635	283,642	688	+10.0	+4.0
Miami	do.	155,228	144,573	40,188	11,810	2,800	7,569	82,206	10,655	+15.1	+14.0
Georgia: Atlanta	do.	554,644	547,776	49,218	23,120	3,057	21,008	450,773	6,868	+6.5	+5.1
Illinois:											
Chicago	do.	6,127,658	6,051,064	1,344,378	81,843	67,885	1,956,866	2,600,092	76,594	-8.3	-27.0
Springfield	do.	235,224	233,429	61,875	2,760	2,162	44,162	122,470	1,795	-5.6	-18.0
Indiana:											
Evansville	do.	238,300	237,820	44,432	23,685	1,693	40,605	127,405	480	-5	-7.0
Fort Wayne	do.	186,058	184,446	46,432	20,724	1,449	14,020	101,811	1,612	+8.4	-18.5
Indianapolis	do.	587,890	582,288	144,153	71,507	7,054	38,452	321,122	5,602	-4.7	-21.3
South Bend	do.	197,201	196,748	41,914	19,989	1,050	17,608	116,187	453	+9.4	-19.0
Terre Haute	do.	238,960	237,783	61,230	24,871	2,355	15,635	133,692	1,177	(⁷)	-16.5
Iowa:											
Des Moines	do.	435,274	434,686	99,639	3,664	5,608	62,418	263,357	588	-20.8	-8.9
Sioux City	do.	199,584	198,976	49,347	4,864	1,920	57,405	85,440	608	+8.9	-17.5
Kansas:											
Kansas City	do.	225,244	225,083	36,410	16,170	2,396	21,531	148,876	161	-4.4	-13.5
Topeka	do.	122,851	121,898	19,765	7,428	1,359	10,236	83,110	953	+1	-7
Wichita	do.	224,986	224,354	44,508	20,348	2,189	57,677	99,632	632	-5.5	-4.4
Kentucky: Louisville	do.	256,048	251,317	42,277	16,460	24,501	168,079	4,731	4,731	+1.5	-9.2
Louisiana:											
New Orleans	Parish	979,873	969,994	89,774	135,948	7,322	61,090	675,860	\$ 9,870	-6.8	-3.6
Shreveport	do.	82,219	82,076	25,734	22,667	917	13,123	19,635	143	-3.3	+34.4
Maine: Portland	City	92,384	91,638	14,803	4,398	1,110	\$ 11,242	60,085	746	-15.5	-6.3
Maryland: Baltimore	do.	572,379	562,226	160,737	112,104	9,217	129,077	151,091	10,153	-6.3	-27.4
Massachusetts:											
Boston	do.	2,158,101	2,081,563	465,923	255,329	8,472	336,160	1,015,679	76,538	-5.2	-12.5
Brockton	do.	156,929	154,479	63,518	8,487	293	27,220	54,961	2,450	-8.0	-18.6
Cambridge	do.	209,416	206,302	53,007	24,978	931	62,473	64,913	3,114	-7.4	-20.5
Fall River	do.	219,927	219,830	59,341	12,532	828	49,527	97,602	97	-4.6	-20.1
Lawrence	do.	142,406	141,454	47,153	5,675	559	27,483	60,584	952	-2.7	-17.7
Lowell	do.	225,872	224,274	72,171	16,756	976	40,432	93,939	1,598	-8.0	-26.6
Lynn	do.	228,964	226,308	76,107	11,264	895	43,187	94,855	2,656	-21.7	-9.1
Malden	do.	103,446	103,405	35,365	7,338	392	27,629	32,681	41	-10.7	-17.0
New Bedford	do.	213,009	212,811	81,175	12,858	1,265	30,600	86,913	1,098	-6.4	-24.6
Newton	do.	65,782	64,243	21,328	10,231	168	12,102	20,414	1,539	-12.5	-14.6
Springfield	do.	310,165	308,484	90,328	23,204	1,013	\$ 52,632	141,307	\$ 1,681	+10.2	-24.8
Worcester	do.	308,008	303,714	105,423	29,785	681	76,284	91,671	4,294	-23.0	-39.4
Michigan:											
Detroit	County	2,740,789	2,725,273	293,381	411,481	6,656	714,329	1,299,426	\$ 15,516	-5.7	-26.2
Flint	do.	264,253	264,174	57,243	29,119	725	28,873	148,214	79	-7	-1.9
Grand Rapids	do.	362,486	362,159	115,677	31,901	2,361	33,547	178,673	327	-13.8	-14.6
Pontiac	do.	154,268	154,095	54,718	25,617	1,535	10,597	60,728	173	-14.6	-25.5
Saginaw	do.	117,513	117,212	30,650	17,610	792	14,358	53,802	301	-6.7	-21.6
Minnesota:											
Duluth	do.	570,269	565,811	99,904	36,908	2,724	114,160	312,115	4,458	+3.2	-18.2
Minneapolis	do.	1,077,005	1,069,369	286,604	56,277	6,223	212,781	507,484	7,636	-13.4	-18.4
St. Paul	do.	565,881	561,875	111,244	28,360	3,641	137,253	281,377	4,006	-7.3	-9.6
Missouri:											
Kansas City	do.	594,821	585,840	219,268	28,819	\$ 10,039	74,468	253,221	8,981	-4.9	-23.0
St. Louis	City and county	1,355,687	1,340,279	303,917	97,461	\$ 17,098	117,931	803,872	15,408	-1.0	-16.6
Nebraska: Omaha	County	512,904	504,748	81,879	36,804	2,785	10,571	372,709	8,156	+11.9	+2.7
New Jersey:											
Jersey City	City	201,290	201,260	28,434	26,282	957	43,665	101,922	-----	-4.6	-30.8
Newark	do.	756,843	752,729	70,068	65,660	2,843	242,150	369,008	4,114	-2.1	-20.7
Trenton	do.	135,758	134,369	18,332	14,041	847	18,397	82,752	1,389	+12.2	-20.5

See footnotes at end of table.

Table 12.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban area, May 1941—Continued

[Corrected to July 21, 1941]

State and urban area	Area included	Total ¹	Public funds						Private funds ²	Percentage change in total from—	
			Total	Old-age assistance	Aid to dependent children ³	Aid to the blind ⁴	General relief ⁵	WPA earnings ⁶		April 1941	May 1940
New York:											
Albany	County	\$190,599	\$188,636	\$31,951	\$9,125	\$1,015	\$44,357	\$102,188	\$1,903	-11.7	(10)
Buffalo	do	747,854	736,466	109,740	52,594	3,423	380,106	190,603	11,388	-22.7	-42.3
New Rochelle	City	71,659	71,292	13,706	7,678	0	40,971	8,937	367	-11.3	-20.2
New York	do	14,934,562	14,735,038	1,597,175	1,087,997	45,251	5,916,019	6,088,596	* 199,524	-4.1	-10.8
Niagara Falls	do	54,488	53,771	8,962	7,380	85	28,748	8,596	* 717	-11.4	-46.9
Rochester	do	512,565	509,125	130,319	33,759	2,057	239,276	103,714	3,440	-5.9	-19.8
Syracuse	County	319,225	315,285	72,700	17,973	1,265	141,345	82,002	3,940	-14.6	-26.9
Utica	City	112,723	110,488	30,941	11,828	397	39,477	28,745	2,235	-16.3	-28.4
Yonkers	do	168,821	167,667	21,546	16,754	562	74,482	54,323	1,154	-14.7	-28.4
North Carolina:											
Asheville	County	80,434	80,434	15,109	7,332	707	1,638	55,648	—	-27.7	-33.1
Charlotte	do	91,973	91,516	18,129	8,291	1,325	4,073	59,698	457	-7.4	-11.8
Greensboro	do	92,498	92,443	18,002	9,511	1,140	597	63,193	55	+11.9	+2.6
Winston-Salem	do	107,933	107,326	15,015	7,737	821	10,745	73,008	607	-3.0	-11.5
Ohio:											
Akron	do	522,511	519,638	96,101	16,321	1,963	48,683	356,570	2,873	-2.3	-42.7
Canton	do	231,746	231,361	101,973	14,758	2,056	20,198	92,376	385	-23.5	-38.1
Cincinnati	do	928,662	913,803	239,469	40,145	5,184	186,695	442,310	14,859	+8	-14.1
Cleveland	do	1,891,837	1,851,719	267,418	108,443	9,202	396,486	1,070,170	40,118	-4.4	-38.4
Columbus	do	677,938	675,829	204,474	23,924	7,516	85,363	354,552	2,109	-5.3	-10.2
Dayton	do	435,915	434,222	149,879	15,476	2,589	45,937	220,341	1,693	-4.7	-13.6
Springfield	do	133,800	133,051	55,798	5,566	1,264	5,045	65,378	* 749	+12.4	-13.4
Toledo	do	688,388	687,794	157,766	19,727	4,756	59,197	446,348	594	+4.3	-14.7
Youngstown	do	292,570	291,980	62,239	17,273	3,766	29,367	179,335	590	(11)	-23.4
Oklahoma: Tulsa	do	272,017	265,394	92,148	21,776	2,883	* 4,358	144,229	6,623	+17.6	+24.9
Oregon: Portland	do	551,754	550,385	175,488	25,367	4,795	* 73,749	270,886	* 1,469	-2.1	-5.0
Pennsylvania:											
Allentown	do	149,011	148,455	26,887	15,819	6,339	12,330	87,080	556	+9.0	-40.6
Altoona	do	207,614	207,569	33,998	35,082	6,994	27,184	104,311	45	-11.7	-25.4
Bethlehem	do	170,667	170,088	27,261	16,315	5,652	16,177	104,683	579	+4.1	-36.2
Chester	do	208,234	206,655	33,958	26,251	8,318	12,108	126,020	1,579	+16.8	-26.7
Erie	do	185,743	185,682	53,917	31,276	8,191	19,288	73,010	61	-12.5	-38.5
Johnstown	do	258,482	258,148	37,336	47,248	7,777	42,696	123,091	334	-6.6	-25.9
Philadelphia	do	3,308,905	3,270,507	550,636	732,209	78,001	917,336	992,325	* 38,398	-7.2	-23.2
Pittsburgh	do	2,187,981	2,171,350	332,972	361,581	40,181	589,034	847,582	16,631	-11.1	-26.6
Reading	do	280,416	279,502	49,495	30,271	9,864	40,232	149,640	914	-11.6	-26.2
Scranton	do	854,552	851,342	82,124	113,267	13,644	292,905	349,402	3,210	+9.1	-19.2
Wilkes-Barre	do	922,338	920,913	91,573	158,321	17,587	276,635	376,797	1,425	-4.0	-17.4
Rhode Island: Providence	City	340,172	336,006	63,794	23,142	761	101,940	146,809	4,166	-5.0	-27.8
South Carolina: Charleston	County	174,809	174,254	10,272	6,271	768	2,651	154,292	* 615	-9.8	+11.1
Tennessee:											
Knoxville	do	154,794	154,794	18,028	20,994	810	1,927	113,035	—	-11.6	-3.3
Memphis	do	246,982	243,811	51,270	25,483	3,203	532	163,323	3,171	+15.4	-23.9
Nashville	do	223,092	221,699	41,863	27,695	2,668	2,240	147,233	1,393	+4.4	-8.9
Texas:											
Dallas	do	398,077	393,472	111,539	678	—	13,736	267,519	4,605	+5.1	+24.0
El Paso	do	77,809	77,167	9,298	—	—	213	67,656	642	+2	-11.5
Fort Worth	do	380,441	379,722	75,417	—	—	8,364	295,941	719	+21.2	+20.9
Houston	do	277,434	273,754	85,197	—	—	21,545	167,012	3,680	-19.7	-3.8
San Antonio	do	362,151	357,393	78,228	—	—	—	279,165	4,758	+3.8	+25.3
Utah: Salt Lake City	do	476,704	474,105	135,341	71,883	1,668	100,948	164,265	* 2,599	-12.5	+21.1
Virginia:											
Norfolk	City	69,219	68,363	10,182	6,564	865	1,704	49,048	856	-40.9	-22.6
Richmond	do	164,167	158,741	15,700	9,641	1,186	14,592	117,622	* 5,426	+5.4	-2.9
Roanoke	do	25,448	25,448	5,368	4,203	448	2,042	13,387	—	-6.9	+3.2
Washington:											
Seattle	County	932,571	928,416	516,219	51,297	10,121	82,510	268,269	* 4,155	+7.3	+22.3
Tacoma	do	389,683	389,683	192,184	20,347	2,928	22,792	151,432	—	+6.9	-2.6
West Virginia: Huntington	do	141,884	141,207	13,461	7,395	1,034	7,288	112,029	* 677	-26.0	+12.8
Wisconsin:											
Kenosha	do	117,785	117,767	30,862	17,378	1,348	18,656	40,523	18	-4.9	-36.0
Madison	do	290,072	289,751	53,413	28,355	1,220	28,268	148,495	321	+16.4	+3.6
Milwaukee	do	1,259,955	1,250,566	254,304	104,080	9,832	271,766	610,584	9,380	-11.0	-29.3
Racine	do	104,967	104,518	32,129	18,541	1,005	13,850	38,993	449	-8.0	-36.8

¹ Excludes cost of administration, of materials, equipment, and other items incident to operation of work programs, and of transient care. Data for assistance programs include obligations incurred for burials, in addition to obligations incurred for money payments, assistance in kind, medical care, and hospitalization.

² Includes data for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

³ Includes direct and work relief and statutory aid to veterans administered on basis of need.

⁴ Data from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all

pay-roll periods ended during month. Data are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

⁵ Includes direct and work relief and aid to veterans.

⁶ Includes estimate.

⁷ Includes Fulton and DeKalb Counties.

⁸ Decrease of less than 0.05 percent.

⁹ Estimated.

¹⁰ Not computed, because comparable data are not available.

¹¹ Increase of less than 0.05 percent.

¹² Incomplete, since data are not obtainable for 1 relief program.

¹³ Data for city of Richmond and for Chesterfield and Henrico Counties.

EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • RESEARCH AND STATISTICS DIVISION

Operations of the Employment Security Program

Labor-Market Developments, June 1941

Scarcity of materials may become a serious factor in retarding defense production. From every region of the country come reports that plants lack steel, scrap iron, aluminum, zinc, rubber, copper, and other materials. Some Middle Atlantic plants report a shortage even of textile yarns. Production is further hampered by delays in receipt of machinery and machine tools, and shortages of electric power in some Southeast and Gulf States. In some communities these deficiencies are causing firms to postpone hirings and delay production; in others they cause lay-offs and force suspension of operations.

Priorities in materials in nondefense industries are also causing some lay-offs, especially in the New England and Middle Atlantic States. The most serious immediate effect of the establishment of priority ratings of materials is likely to occur in the Great Lakes region. The proposed reduction in automobile output, to conserve vital material, is expected to create considerable unemployment in several States. While many automobile plants now being converted to produce aircraft or ordnance expect to employ thousands of workers, it is difficult to determine what proportion of the workers displaced by reduced automobile output will find work on defense jobs. Seasonal lay-offs of automobile workers have begun, and thousands of workers will be released by the middle of August.

Lack of materials, while a deterrent to production, is not yet serious, and defense industries have continued to hire additional workers. In New England, the production of shoes and textiles was expanding, and the usual seasonal lay-offs were not taking place. A large proportion of the demand for workers came from nondefense as well as defense plants in New York, from construction projects in the Southeast and Gulf and Southwest regions, and from aircraft, machine-tool, and munitions plants in the Great Lakes region. Seasonal industries, too, were at a high level of activity. Heavy demands came from agricultural sections of every region.

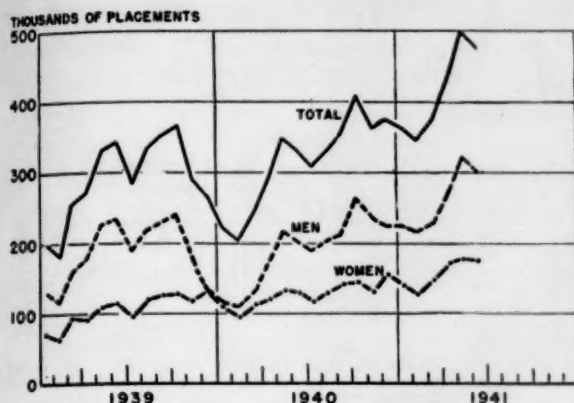
On the whole, the supply of industrial workers has been adequate, although the shortage of skilled workers in aircraft, metal trades, and shipbuilding persists. In some localities semiskilled workers have been difficult to find. Some shortages have been reported in canning, hotel, restaurant, and other service fields.

Nearly every farm community in every region has reported that farm labor is scarce. In Minnesota, for example, 14 of the 37 local employment offices reported shortages at the end of June, and nearly all anticipated a serious shortage for harvesting and threshing. In Nebraska, farmers were ready to accept men without previous experience for harvesting. The supply of migratory workers everywhere has been below that of previous years.

There was growing evidence that industry is drawing upon the two large reservoirs of workers—women and youth—in substantially larger numbers. In all parts of the country, high-school graduates helped to alleviate shortages of all types, especially those of resort and clerical workers. Even more important, however, was the greater utilization of women in all industries throughout the country. Many plants continue to substitute women for men who have been called to military service or who have found better-paying defense jobs.

Training continues to be an important means for alleviating labor shortages. In some sections lack of trainees has caused courses to be abandoned. Some communities have attempted to recruit trainees from other localities and to provide transportation for persons willing to be trained away from home. In other regions, young women are being encouraged to enroll in vocational education training courses. In-plant training has become more extensive in many industries throughout the country, because many employers prefer to train their own workers on the job. Employers are also relying a great deal on upgrading and break-down of jobs to supply their most urgent needs for skilled labor. The migration of workers, especially from rural communities

Chart 1.—Placements of men and women by public employment offices, January 1939–June 1941



to defense centers, while aggravating the farm-labor problem, has nevertheless augmented the supply of workers in urban communities.

Placement Activities

With the exception of May, more placements were made by public employment offices in June than in any month since the middle of 1936. They totaled 471,000, 43 percent more than in June 1940. All but 13 States shared in the decline from May, but only 4 States filled fewer jobs than in June 1940. Placements during the first 6 months of 1941 approximated 2.5 million, a gain of 52 percent over the same period of 1940. This year approximately 1.8 million different individuals were placed in jobs, 661,000 more than in January–June 1940.

Applications filed during the month rose 5.5 percent to 1.6 million and exceeded the total for any June since the establishment of the United States Employment Service. There were 5.1 million job seekers registered for work on June 30, virtually the same total as on May 31.

Practically all of the Rocky Mountain and Pacific Coast States and the Territories made more placements than in May (table 1). Increased demand for workers in agricultural, construction, and shipbuilding activities was mainly responsible for the gains in most of these States. In all but 3 of the 20 leading industrial States, placements declined during June. Shortages and delayed delivery of materials and equipment, together with capacity operations in many plants, probably account for the widespread declines. The largest relative gains over June 1940 were reported by

Alaska, Louisiana, Massachusetts, Rhode Island, and South Carolina, where placements were from two to nearly three times greater this year.

Supplementary placements increased more than 25 percent from May to 153,300, the highest number since October 1940. The rise mainly reflected the heavy seasonal demand for agricultural workers. This increase, however, was relatively smaller than the gains usually experienced from May to June of previous years.

Nearly 300,000 jobs were filled by men in June and 171,000 by women (table 2). Complete placements of men were 49 percent greater than those made in June 1940, while placements of women were 33 percent higher. Placements in both groups were less than in June 1940 in Arkansas and Washington. For men alone, decreases were reported in Arizona, New Hampshire, and Oklahoma; and for women alone, in Hawaii, Idaho, and Mississippi. For the second successive month, placements of men were greater than those of women in New York. In addition to Delaware, the District of Columbia, and New Jersey, Louisiana also made more placements of women than of men this month. As in previous months, somewhat less than two-thirds of the jobs filled by men and more than half of the jobs filled by women were expected to last longer than a month.

In the first half of 1941, 1.6 million jobs were filled by men and 933,000 by women. For men, this represented a gain of 65 percent over the first 6 months of 1940 and for women, an increase of 35 percent. Since the beginning of 1941, the relative increases over 1940 for men have varied widely but have always been materially greater than for women; for women the increase from 1940 has remained about the same from month to month:

1941	Percentage increase over 1940	
	Men	Women
January.....	95.0	31.5
February.....	101.1	33.7
March.....	73.6	32.0
April.....	55.7	42.7
May.....	48.6	34.1
June.....	49.0	33.0

More than 1 million applications for work were received from men, a 22-percent increase over June 1940; the 561,000 filed by women represented

Table 1.—Placement activities of public employment offices for all registrants, by State, June 1941

[Corrected to July 21, 1941]

Social Security Board region and State	Complete placements								Supple- men- tary place- ments	Total applications received		Active file		
	June 1941				January-June 1941					Number	Per- cent- age change from May 1941	Number as of June 30, 1941	Percentage change from—	
	Num- ber	Percentage change from—		Regular (over 1 month)	Total		Regular						May 31, 1941	June 30 1940
		May 1941	June 1940		Num- ber	Percent- age change from Janu- ary- June 1940	Num- ber	Per- cent of total						
Total.....	470,962	-5.8	+42.8	289,565	2,498,063	+52.2	1,578,253	63.2	153,322	1,623,180	+5.5	5,125,871	-0.6	-11.0
Region I:														
Connecticut.....	9,451	(¹)	+63.8	6,592	50,397	+77.6	36,965	73.3	11	27,681	+21.7	44,702	+15.0	-47.6
Maine.....	4,561	+5	+73.2	3,607	19,703	+105.2	15,745	79.9	30	10,411	+8.2	26,948	-13.1	-41.2
Massachusetts.....	9,955	-2.8	+149.5	8,394	49,462	+134.0	40,351	81.6	69	57,875	+9.8	134,835	-22.9	-38.3
New Hamp- shire.....	2,234	-10.1	-9.3	1,811	11,391	+3.7	8,666	76.1	60	6,485	+23.9	15,366	-2.8	-37.2
Rhode Island.....	2,221	-10.7	+181.1	1,839	12,485	+201.1	10,306	82.5	0	10,610	+24.5	40,674	-4.8	-7.2
Vermont.....	1,198	-12.9	+5.4	741	6,290	+27.4	3,655	58.1	23	2,665	-3.5	9,069	-2.0	-53.2
Region II:														
New York.....	47,744	-3.6	+69.8	26,815	250,599	+80.6	138,451	55.2	1,066	188,108	-4.1	544,377	-3.9	-19.5
Region III:														
Delaware.....	1,754	-3	+32.5	925	8,637	+42.3	4,304	49.8	150	3,460	+13.9	8,736	+1.4	-29.4
New Jersey.....	17,402	-1	+77.7	10,958	89,362	+63.4	55,846	62.5	107	65,991	+21.7	193,564	+3.4	-28.7
Pennsylvania.....	21,244	-6.5	+58.3	16,200	109,160	+53.0	78,742	72.1	878	120,330	+14.0	333,713	+1.5	-10.3
Region IV:														
Dist. of Col.....	5,471	-10.4	+29.7	2,590	31,606	+45.1	14,601	46.2	4	13,796	+15.5	23,568	+5.9	-29.1
Maryland.....	6,507	-9.2	+51.2	4,230	34,503	+66.0	23,455	68.0	1,665	28,968	+16.9	42,914	+14.8	-40.8
North Carolina.....	9,766	-21.6	+61.6	7,085	107,077	+198.8	91,693	85.6	14,054	30,192	+3.4	96,662	+13.8	+2.1
Virginia.....	11,336	-4.9	+91.4	9,011	62,071	+119.6	47,614	76.7	961	25,255	-13.7	70,523	+1.0	+20.0
West Virginia.....	3,938	+6.2	+31.2	2,443	21,126	+41.4	13,266	62.8	433	19,303	+4.4	63,121	-6.4	-27.4
Region V:														
Kentucky.....	3,733	-28.6	+18.4	2,413	21,451	+37.8	13,291	62.0	129	20,574	-6.0	95,092	-7	-9
Michigan.....	16,341	-8.9	+34.1	10,796	80,713	+38.6	53,606	66.4	1,182	56,479	+23.7	139,108	+4.0	-44.8
Ohio.....	27,539	-8.1	+64.0	16,095	136,219	+63.8	76,539	56.2	328	81,628	-1.8	276,038	-3.8	-11.9
Region VI:														
Illinois.....	22,564	-13.1	+66.6	13,393	125,661	+62.2	76,901	61.2	1,209	74,276	+2.7	250,480	-12.2	+29.4
Indiana.....	12,955	-24.5	+51.8	8,357	74,083	+67.2	49,280	66.5	2,969	49,323	-2.2	227,345	+7.5	+32.5
Wisconsin.....	11,185	-6.2	+48.4	7,180	53,329	+47.1	31,922	59.8	566	30,388	+27.0	90,923	-3.4	-21.4
Region VII:														
Alabama.....	7,596	-21.3	+43.9	3,843	31,836	+17.9	19,851	62.4	270	31,681	-14.6	111,590	-6.7	-3.2
Florida.....	4,571	+11.9	+98.5	3,579	36,114	+109.0	27,900	77.2	253	22,445	+1.2	117,842	+5.1	+71.0
Georgia.....	10,199	-6.9	+30.6	6,149	52,445	+16.0	34,094	65.0	664	34,445	-4.2	117,345	+1.1	-32.6
Mississippi.....	4,680	-3.8	+16.3	3,964	21,900	-3.5	17,488	79.8	170	21,216	-2.9	81,268	+1.3	+56.2
South Carolina.....	7,291	+6.5	+168.4	6,157	43,048	+150.9	36,117	83.9	401	15,083	+17.5	51,492	+9.2	+3.0
Tennessee.....	9,309	-24.5	+27.6	6,127	52,320	+80.2	37,783	72.2	5,021	20,977	-14.8	134,259	-9	+7.1
Region VIII:														
Iowa.....	8,411	-13.5	+12.4	4,589	43,951	+19.4	23,982	54.6	519	22,271	+20.2	68,881	+5.7	-15.5
Minnesota.....	8,187	-16.0	+19.7	4,495	38,023	+29.9	21,690	57.0	229	29,836	+19.7	96,435	-6.4	-30.0
Nebraska.....	3,828	-5.6	+10.4	2,359	16,715	+13.1	9,787	58.6	126	10,051	-7	46,337	-6.5	-2.1
North Dakota.....	2,750	-5.7	+22.5	1,415	12,486	+27.1	6,643	53.2	33	5,559	+1.3	30,545	+2.3	+1.0
South Dakota.....	1,802	-17.5	+24.1	1,076	8,195	+20.5	4,263	52.0	261	4,353	-11.9	23,518	-4.5	-13.5
Region IX:														
Arkansas.....	6,015	-27.2	-20.8	2,598	37,147	+28.7	14,480	39.0	7,488	16,262	+16.3	81,526	+16.7	+81.0
Kansas.....	7,742	-11.1	+68.4	3,640	39,554	+82.6	19,945	50.4	333	20,308	+16.2	62,610	-1.3	+4.4
Missouri.....	12,582	-17.4	+45.5	8,387	84,577	+91.4	62,230	73.6	4,789	53,192	+11.6	216,350	+5.8	+15.6
Oklahoma.....	4,824	-3.7	+5.1	2,085	23,506	-18.8	10,720	45.6	4,918	25,268	+26.9	64,061	-2.1	-25.9
Region X:														
Louisiana.....	5,654	-2.5	+118.3	3,909	35,151	+69.1	26,968	76.7	1,157	32,407	+23.7	121,028	+12.3	+35.9
New Mexico.....	1,755	-2.0	+28.0	1,215	9,019	+29.2	6,652	73.8	604	4,906	-16.4	24,247	+7	-31.8
Texas.....	29,390	-6	+6.6	15,796	184,461	+9.7	94,514	51.2	43,214	107,972	+5.9	379,971	+14.4	+47.9
Region XI:														
Arizona.....	2,629	-14.4	-1.0	1,171	16,092	-6.8	8,965	55.7	1,716	5,920	-4.8	20,487	+4.1	-21.4
Colorado.....	7,560	+35.4	+13.6	2,702	24,141	+8.0	11,407	47.2	2,580	15,036	+10.9	54,363	-6.9	-7.9
Idaho.....	4,827	+38.0	+19.1	1,468	15,400	+10.9	7,071	45.7	9,366	3,523	-33.8	34,938	+4.2	(¹)
Montana.....	3,054	+12.3	+34.2	2,349	10,883	+14.3	8,010	73.6	563	5,316	-1.5	15,255	-17.5	-41.0
Utah.....	3,472	+36.3	+63.3	1,230	11,460	+58.3	5,296	46.2	155	8,618	+19.9	21,609	+2.8	-5.3
Wyoming.....	1,355	-9.4	+22.6	858	8,201	+74.3	5,920	72.2	5	3,800	+34.1	5,413	-3.6	-34.8
Region XII:														
California.....	37,267	-1.4	+85.9	21,315	182,213	+65.1	103,837	57.0	7,731	113,656	-5	343,390	-8.3	-29.4
Nevada.....	2,207	+12.8	+74.5	1,553	5,907	+37.4	5,661	63.6	84	3,512	+12.6	3,662	-26.1	-35.8
Oregon.....	9,682	+12.7	+64.4	6,470	43,791	+59.0	30,004	68.5	25,360	18,715	+8.8	29,929	-5.3	-25.6
Washington.....	10,331	+40.9	-47.4	5,148	39,531	-24.1	22,675	57.4	9,308	30,080	+6.6	33,540	-12.1	-68.2
Territories:														
Alaska.....	1,756	+20.4	+147.3	1,460	5,408	+61.7	3,970	73.4	59	1,940	+9.0	1,158	-34.8	-28.6
Hawaii.....	1,137	+38.3	+10.9	983	6,203	+31.6	5,131	82.7	1	2,031	+13.9	5,164	-8.7	-43.4

¹ Excludes Idaho, for which data are not comparable.² Decrease of less than 0.05 percent.³ Excludes 2,023 supplementary placements made in cooperation with the Arkansas State Employment Service and included in data for Arkansas.

a gain of 26 percent. At the end of June 1941 the active file of men was 14 percent lower than on June 30, 1940; for women it was 4 percent lower. The number of male job seekers registered this month was lower than in June 1940 in 37 States, and women registrants were fewer in 30 States.

Labor Available in Selected Defense Occupations

About 427,000 workers were registered at public employment offices on May 17 as available for placement in 631 technical, skilled, and semi-skilled defense occupations (table 4). Because

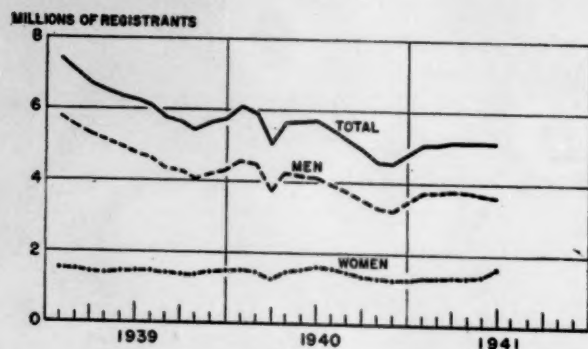
Table 2.—Placement activities of public employment offices for men and women, by State, June 1941

[Corrected to July 21, 1941]

Social Security Board region and State	Men						Women					
	Complete placements			Total applications received	Active file		Complete placements			Total applications received	Active file	
	Number	Percent- age change from June 1940	Regular (over 1 month)		Number as of June 30, 1941	Percent- age change from June 30, 1940	Number	Percent- age change from June 1940	Regular (over 1 month)		Number as of June 30, 1941	Percent- age change from June 30, 1940
Total.....	290,963	+49.0	191,931	1,062,132	3,567,349	-13.6	170,999	+33.0	97,634	561,048	1,558,522	-4.4
Region I:												
Connecticut.....	6,056	+53.6	4,552	16,320	23,577	-55.2	3,396	+85.8	2,040	11,361	21,125	-35.3
Maine.....	3,172	+91.2	2,491	6,725	19,002	-40.8	1,389	+42.6	1,116	3,686	7,946	-42.3
Massachusetts.....	5,965	+170.9	5,136	30,846	75,082	-44.7	3,990	+123.2	3,258	27,029	59,753	-30.9
New Hampshire.....	1,675	-14.5	1,337	4,472	10,303	-32.8	559	+10.7	474	2,013	5,053	-44.7
Rhode Island.....	1,251	+272.3	1,069	5,396	24,311	+5.5	970	+113.6	770	5,214	16,363	-21.2
Vermont.....	711	+2.6	457	1,766	6,482	-53.2	487	+9.9	284	890	2,587	-53.2
Region II:												
New York.....	24,526	+80.3	15,735	106,466	329,835	-24.9	23,218	+60.0	11,080	81,642	214,542	-9.7
Region III:												
Delaware.....	835	+16.6	599	2,125	5,460	-32.3	919	+51.2	326	1,335	3,276	-23.9
New Jersey.....	8,192	+102.1	6,405	37,364	116,536	-30.0	9,210	+60.5	4,553	28,627	77,028	-21.0
Pennsylvania.....	12,350	+59.2	10,303	79,485	235,229	-13.9	8,894	+57.2	5,897	40,845	98,484	-6
Region IV:												
Dist. of Col.....	2,416	+11.2	1,212	7,787	13,620	-44.6	3,055	+49.3	1,378	6,009	9,948	-29.4
Maryland.....	4,693	+62.5	3,163	18,828	27,612	-43.4	1,814	+28.1	1,067	10,140	15,302	-35.6
North Carolina.....	6,798	+86.8	5,041	27,468	64,207	+5.2	2,968	+23.6	2,044	11,724	32,455	-3.4
Virginia.....	8,582	+148.8	7,367	15,934	42,270	+9.9	2,754	+11.4	1,644	9,321	28,253	+39.1
West Virginia.....	2,247	+39.4	1,585	14,078	51,945	-28.8	1,691	+21.7	848	5,225	11,276	-19.8
Region V:												
Kentucky.....	2,488	+21.4	1,712	15,770	76,010	-1.6	1,245	+13.0	701	4,804	19,082	+1.9
Michigan.....	11,618	+45.5	7,698	37,246	96,367	-50.7	4,723	+12.4	3,098	19,233	42,741	-24.6
Ohio.....	16,651	+82.8	10,202	52,191	183,988	-19.6	10,888	+41.7	5,893	29,437	92,050	+8.9
Region VI:												
Illinois.....	14,188	+114.5	8,524	48,091	175,878	+30.2	8,376	+20.9	4,860	26,185	74,002	+27.5
Indiana.....	7,766	+73.6	4,888	33,175	160,631	+25.5	5,189	+27.8	3,409	16,148	66,714	+52.9
Wisconsin.....	6,937	+61.0	4,539	18,600	65,274	-26.8	4,248	+31.5	2,641	11,528	26,649	-3.7
Region VII:												
Alabama.....	5,349	+50.2	2,642	23,418	86,647	-4.7	2,247	+30.8	1,201	8,263	24,943	+2.6
Florida.....	3,290	+116.2	2,768	16,299	87,906	+72.2	1,281	+64.0	811	6,146	29,936	+67.3
Georgia.....	6,977	+31.7	4,573	23,390	80,776	-33.6	3,222	+28.3	1,576	11,055	36,569	-30.3
Mississippi.....	3,649	+22.5	3,210	16,416	61,930	+54.0	1,031	-1.5	754	4,800	19,338	+63.5
South Carolina.....	5,778	+169.4	4,892	10,940	34,011	-11.4	1,513	+165.0	1,265	4,143	17,481	+50.2
Tennessee.....	5,784	+33.2	3,873	13,605	94,960	+6.8	3,525	+19.5	2,254	7,372	29,299	+7.8
Region VIII:												
Iowa.....	5,982	+13.0	3,264	15,304	49,008	-19.6	2,429	+11.1	1,325	6,967	19,873	-3.3
Minnesota.....	5,042	+20.6	2,748	19,504	70,552	-32.0	3,145	+18.2	1,747	10,332	25,883	-23.9
Nebraska.....	3,038	+13.0	1,858	6,938	35,769	-3.5	790	+1.4	601	3,113	10,568	+2.8
North Dakota.....	1,749	+25.3	1,858	3,443	23,439	-5	1,001	+17.9	557	2,116	7,106	+6.4
South Dakota.....	1,304	+31.7	770	2,993	17,732	-14.3	498	+7.8	306	1,360	5,786	-11.2
Region IX:												
Arkansas.....	3,686	-28.0	1,472	11,806	66,307	+88.2	2,329	-6.0	1,126	4,456	15,219	+54.9
Kansas.....	6,077	+78.3	2,768	15,305	48,746	+1.5	1,665	+39.9	872	5,003	13,864	+15.9
Missouri.....	8,309	+60.3	5,583	35,645	157,322	+17.7	4,273	+23.4	2,804	17,547	59,028	+10.4
Oklahoma.....	2,633	-2.9	1,008	18,976	51,306	-26.2	2,191	+16.7	1,077	6,292	12,755	-24.8
Region X:												
Louisiana.....	2,616	+161.1	1,848	23,711	98,824	+39.4	3,038	+91.3	2,061	8,696	22,204	+22.3
New Mexico.....	1,315	+30.7	944	3,818	20,586	-31.7	440	+20.5	271	1,091	3,661	-31.9
Texas.....	18,276	+6.1	9,623	77,428	292,633	+49.5	11,114	+7.4	6,173	30,544	87,338	+42.8
Region XI:												
Arizona.....	1,743	-6.2	788	4,277	16,221	-23.8	886	+11.0	383	1,643	4,266	-10.9
Colorado.....	5,399	+9.7	1,829	10,026	39,673	-14.0	2,161	+24.8	873	5,010	14,690	+14.0
Idaho.....	4,006	+26.8	1,083	2,461	28,922	(¹)	821	-8.2	385	1,062	6,016	(¹)
Montana.....	2,538	+33.5	1,972	4,007	11,871	-43.8	516	+38.0	377	1,309	3,384	-28.5
Utah.....	2,500	+94.7	972	5,901	17,189	-4.0	972	+15.4	258	2,717	4,320	-9.9
Wyoming.....	1,064	+13.2	722	2,961	3,943	-41.7	291	+76.4	136	839	1,470	-4.3
Region XII:												
California.....	24,776	+102.6	14,186	71,924	215,829	-36.2	12,491	+59.7	7,129	41,732	127,561	-13.8
Nevada.....	1,849	+91.6	1,364	2,860	2,362	-47.2	358	+19.3	189	706	1,300	+23.3
Oregon.....	7,436	+71.0	5,239	14,066	22,061	-30.9	2,246	+45.9	1,231	4,649	7,868	-5.4
Washington.....	6,023	-53.6	2,711	21,062	23,127	-71.2	4,308	-35.3	2,437	9,018	10,413	-58.2
Territories:												
Alaska.....	1,629	+151.4	1,417	1,746	821	-39.0	127	+104.8	43	194	337	+22.5
Hawaii.....	1,029	+24.7	921	1,563	3,357	-51.9	108	-12.2	62	468	1,807	-17.9

¹ Excludes Idaho, for which data are not comparable.

Chart 2.—Active file of men and women registrants at public employment offices as of end of month, January 1939–June 1941



previous counts of defense registrants included only 394 occupations and used a different definition of availability, comparisons with earlier counts are limited. Although it cannot be said with assurance that the total number of registrants in the May 17 count was greater or less than the number in the same occupations at any previous date, there is evidence that the number probably declined from the preceding month.

All but 9,400 of the available workers were immediately referable to jobs; those not fully qualified would be referable upon completion of vocational training which they were taking at the time of the count. In addition, 41,000 unavailable registrants could become referable after receiving training, although they were not being trained at the time of the count. There were also 106,000 registrants with supplementary skills in the selected occupations, a large number of whom may have been primarily registered in other defense occupations.

The geographic distribution of available primary registrants differed only slightly from previous months. New York, with 48,800 registrants, still had the largest number, and Illinois ranked second with 34,300. Five other States—California, Michigan, Ohio, Pennsylvania, and Texas—each had between 20,000 and 30,000 registrants. These seven States together accounted for 46 percent of the total.

In almost three-fifths of the occupations surveyed, less than 100 primary registrants were available; in 148 occupations, less than 10 and frequently no workers were registered. More than 80 percent of all the registrants were concentrated in 64 occupations, each with 1,000 or more workers. Over 40 percent of the occupations in

which there were no more than 10 registrants were concentrated in the machine-shop and auto-

Table 3.—Agricultural placements, by State, May and January–May 1941

[Corrected to July 5, 1941]

Social Security Board region and State	May 1941				January–May 1941		
	All placements		Complete placements	Supplementary placements	All placements		
	Number	Percentage change from May 1940			Number	Percentage change from January–May 1940	Percent of all placements in all industries
Total.....	131,945	+29.0	32,712	99,233	329,877	+42.0	13.7
Region I:							
Connecticut.....	193	+6.0	193	0	711	+9.2	1.7
Maine.....	147	+107.0	147	0	290	+47.3	2.0
Massachusetts.....	111	+56.3	107	4	381	+42.1	.9
New Hampshire.....	46	(1)	45	1	171	-3.9	1.7
Rhode Island.....	20	(1)	20	0	75	(1)	.7
Vermont.....	66	+24.5	63	3	222	-9.4	4.3
Region II:							
New York.....	503	-30.2	502	1	1,912	-19.4	.9
Region III:							
Delaware.....	14	(1)	12	2	49	(1)	.7
New Jersey.....	384	+25.9	384	0	1,032	+60.0	1.4
Pennsylvania.....	200	+7.0	194	6	677	+11.3	.7
Region IV:							
Dist. of Col.....	16	(1)	16	0	26	(1)	.1
Maryland.....	477	+211.8	188	289	741	+107.0	2.6
North Carolina.....	4,196	+222.8	113	4,083	5,193	+236.3	4.3
Virginia.....	1,433	-16.6	330	1,103	1,563	-17.8	3.0
West Virginia.....	15	(1)	15	0	80	-4.8	.4
Region V:							
Kentucky.....	1,008	-5.6	1,003	5	1,146	-5.3	6.2
Michigan.....	694	+17.0	473	221	1,791	+3.9	2.6
Ohio.....	495	-15.4	492	3	1,739	+14.3	1.6
Region VI:							
Illinois.....	1,174	+145.1	1,123	51	2,684	+34.5	2.5
Indiana.....	142	-29.4	142	0	650	+7.8	1.0
Wisconsin.....	580	+20.6	537	43	2,079	+7.6	4.7
Region VII:							
Alabama.....	3,316	-17.2	3,285	31	4,155	-13.4	16.5
Florida.....	154	-93.3	154	0	1,475	-76.1	4.4
Georgia.....	1,423	+9.2	954	469	2,056	-12.4	4.7
Mississippi.....	188	-22.0	156	32	1,202	+10.4	6.7
South Carolina.....	660	+122.2	141	519	1,219	+89.0	3.3
Tennessee.....	7,583	+45.8	1,253	6,330	41,078	+573.1	49.2
Region VIII:							
Iowa.....	707	-4.6	684	23	3,689	+24.5	9.5
Minnesota.....	1,487	+35.3	1,302	185	5,132	+34.4	16.6
Nebraska.....	253	+90.2	244	9	843	+80.0	6.4
North Dakota.....	651	+17.3	641	10	2,393	+25.3	24.2
South Dakota.....	236	+67.4	183	53	852	+65.8	12.6
Region IX:							
Arkansas.....	37,720	+257.1	4,873	32,847	64,331	+262.0	78.7
Kansas.....	534	+112.7	517	17	1,509	+85.6	4.5
Missouri.....	4,925	+322.4	1,146	3,779	6,781	+130.2	8.6
Oklahoma.....	1,387	-62.4	199	1,188	3,920	-55.1	18.1
Region X:							
Louisiana.....	587	+85.8	40	547	1,434	+78.4	2.8
New Mexico.....	843	-10.4	568	275	1,663	-56.9	19.7
Texas.....	30,307	-21.6	443	29,864	94,557	-5.5	36.4
Region XI:							
Arizona.....	3,198	+73.2	135	3,063	25,141	+57.8	64.0
Colorado.....	2,007	-9.6	1,742	265	3,293	-5.1	19.0
Idaho.....	2,874	-22.4	1,430	1,444	4,655	-5.6	36.6
Montana.....	984	+22.5	708	276	2,644	+29.9	28.5
Utah.....	475	-42.3	362	113	641	-31.9	7.8
Wyoming.....	272	+20.4	268	4	564	+3.5	8.2
Region XII:							
California.....	6,605	+146.6	2,927	3,678	14,971	+123.5	9.0
Nevada.....	174	-17.5	168	6	739	+16.9	10.2
Oregon.....	8,283	+13.9	721	7,562	10,909	+26.7	23.3
Washington.....	2,186	-16.9	1,361	825	4,758	+2.4	11.6
Territories:							
Alaska.....	8	(1)	4	4	16	(1)	.4
Hawaii.....	4	(1)	4	0	56	(1)	1.1

¹ Not computed, because less than 50 placements were made in either period.

² Excludes 5,583 supplementary placements made in cooperation with the Arkansas State Employment Service in May and included in data for Arkansas.

mobile-manufacturing groups: well over a third of the 86 occupations in the machine-shop group and nearly half of the 71 occupations in the automobile-manufacturing group were in this class. In the aircraft and shipbuilding groups between 20 and 30 percent of the occupations had fewer than 10 available registrants.

More than half the available registrants were in two occupational groups: building construction accounted for 33 percent of the total and metal trades for 23 percent. Construction and metal-trades applicants predominated in three-fourths of the States; in the others, relatively large numbers of textile and garment workers or truck drivers,

Table 4.—Primary registrations of job seekers available¹ in selected occupations, by State, May 17, 1941

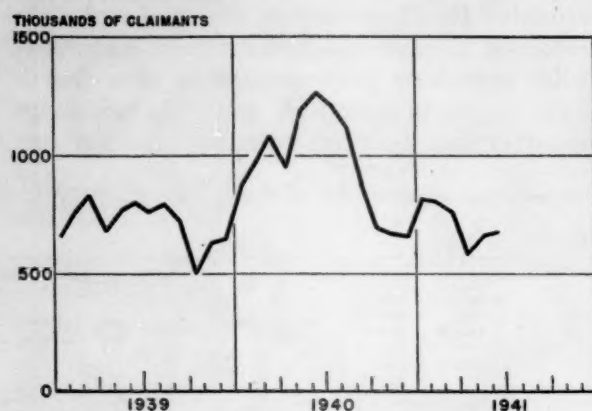
[Corrected to June 28, 1941]

Social Security Board region and State	Total		Professional and technical	Aircraft manufacturing and service	Automobile service	Building construction	Electrical equipment manufacturing	Instrument, optical goods, watch and clock	Metal trades	Ship and boat building and boiler-making	Textile, garment, and related	Miscellaneous
	Number	Percentage distribution										
Total ²	426,957	100.0	9,379	4,660	20,588	140,040	9,788	1,059	96,589	5,788	19,402	119,664
Region I:												
Connecticut	1,585	.4	60	4	34	402	30	11	419	16	233	376
Maine	3,210	.8	66	0	95	1,226	30	6	410	64	295	1,009
Massachusetts	8,140	1.9	220	14	164	2,538	141	32	1,271	137	1,283	2,340
New Hampshire	1,235	.3	25	3	55	347	27	3	176	10	241	348
Rhode Island	2,350	.6	51	2	42	280	49	7	387	25	1,137	370
Vermont	762	.2	24	0	20	252	14	1	132	6	71	242
Region II:												
New York	48,803	11.4	954	304	2,228	17,010	1,357	248	10,461	966	3,206	12,069
Region III:												
Delaware	824	.2	20	0	24	407	8	1	122	31	17	194
New Jersey	13,546	3.2	499	55	377	4,244	382	32	2,537	321	1,474	3,325
Pennsylvania	21,071	4.9	476	85	869	5,017	568	68	5,741	347	1,630	6,280
Region IV:												
District of Columbia	2,331	.5	120	10	74	1,003	25	2	278	21	50	748
Maryland	2,091	.5	44	36	108	723	26	7	361	73	97	616
North Carolina	7,475	1.8	78	6	208	3,791	84	11	553	58	993	1,693
Virginia	3,338	.8	58	5	103	1,279	39	8	449	47	373	977
West Virginia	3,480	.8	59	7	148	994	144	6	791	47	146	1,198
Region V:												
Kentucky	6,615	1.5	79	12	301	2,772	160	10	1,085	57	99	2,040
Michigan	28,012	6.6	520	234	974	4,277	627	30	15,083	201	732	5,334
Ohio	20,439	4.8	483	36	772	4,285	556	38	8,040	301	532	5,396
Region VI:												
Illinois	34,284	8.0	804	51	1,676	8,548	1,422	126	11,800	395	752	8,710
Indiana	16,293	3.8	396	25	610	3,623	372	34	5,245	185	100	5,705
Wisconsin	9,062	2.1	219	14	330	2,765	200	13	2,331	144	73	2,933
Region VII:												
Alabama	13,279	3.1	164	5	373	6,036	189	8	1,421	94	1,066	3,923
Florida	13,111	3.1	357	79	739	6,213	201	37	1,336	321	108	3,720
Georgia	10,292	2.4	121	6	367	4,014	120	12	1,068	47	1,930	2,607
Mississippi	5,680	1.3	63	7	315	2,912	69	1	547	31	122	1,613
South Carolina	2,662	.6	12	3	74	1,038	22	1	188	15	670	639
Tennessee	8,746	2.0	82	56	316	3,295	129	12	1,293	73	568	2,922
Region VIII:												
Iowa	4,185	1.0	78	8	251	1,285	105	4	653	23	19	1,759
Minnesota	8,170	1.9	208	5	564	2,736	190	28	1,232	55	71	3,081
Nebraska	3,291	.8	74	39	175	1,045	86	5	367	35	11	1,454
North Dakota	1,820	.4	36	0	121	729	22	3	119	5	3	732
South Dakota	1,759	.4	33	0	132	564	33	3	171	8	2	813
Region IX:												
Arkansas	12,734	3.0	172	32	842	6,129	193	12	1,738	95	43	3,478
Kansas	7,745	1.8	120	433	616	2,582	137	14	1,317	97	17	2,412
Missouri	18,827	4.4	437	72	981	6,011	512	42	4,749	233	275	5,565
Oklahoma	8,966	2.1	216	59	713	3,693	156	14	1,369	133	40	2,582
Region X:												
Louisiana	5,078	1.2	98	6	245	2,518	51	3	545	119	28	1,465
New Mexico	1,977	.5	21	5	101	730	20	2	198	7	29	864
Texas	20,192	4.7	456	397	1,278	8,510	365	36	2,594	223	323	6,010
Region XI:												
Arizona	1,231	.3	29	3	100	435	21	6	147	9	9	472
Colorado	3,824	.9	181	6	336	1,197	90	11	636	41	49	1,307
Idaho	1,972	.5	16	5	205	753	29	5	290	13	4	682
Montana	2,004	.5	62	5	150	596	51	4	221	19	4	892
Utah	2,293	.5	51	18	186	882	40	2	322	9	14	799
Wyoming	821	.2	13	1	74	252	11	3	140	4	0	323
Region XII:												
California	23,542	5.5	882	2,302	1,499	7,621	536	79	4,704	505	347	5,067
Nevada	351	.1	11	2	37	121	13	1	77	3	2	84
Oregon	3,895	.9	91	104	356	1,308	55	6	547	48	93	1,287
Washington	3,564	.8	70	108	270	1,112	72	11	658	71	21	1,171

¹ Represents registrants qualified and available for referral, plus those now receiving training, in occupation for which they have been determined to be best suited. Workers may also have registered in other occupations for

which they are qualified; such registrations are not included in this table.
² Excludes Alaska and Hawaii, because no count was made.

Chart 3.—Average weekly number of claimants drawing benefits, by month, January 1939–June 1941¹



¹ Benefits not payable in Illinois and Montana until July 1939.

together with construction workers, made up the major portion of these selected occupations. In all except seven States, construction workers outnumbered metal-trades workers.

Only 4,700 workers were available for aircraft manufacturing and service. Of the 26 aircraft occupations surveyed, riveters and sheet-metal workers accounted for more than 70 percent of all the primary available workers in the group. Many of the registrants in these 2 occupations would not be referable until completion of training under way. About 50 percent of all available aircraft registrants resided in California. Between 200 and 450 were also found in Kansas, Michigan, New York, and Texas. Only 5,800 available persons were registered for ship and boatbuilding and boilermaking occupations, and nearly a fourth of these were boilermakers. The largest number of shipbuilding workers—970—was reported by New York. California had 500 and Illinois 400.

Registrants in the machine-shop occupations constituted 21 percent of the total primary workers available in the metal-trades group. More persons were registered as all-around machinists than in any other machine-shop trade. There were 3,800 workers whose primary skill (and 1,000 more whose supplementary skill) fell in this class. However, only 79 percent of these machinists were both qualified and available; the rest were receiving training. Almost 40 percent of all the available metal-trades workers were concentrated in 3 States—Illinois, Michigan, and New York—each with between 10,500 and 15,100 registrants.

In 20 States there were less than 500 metal-trades registrants.

Vocational Training Activities

Beginning with this issue, summary data will be presented on placement by public employment offices from pre-employment refresher courses in connection with the defense training program.¹ Only the first placement of a trainee is reported, providing it is for more than a month's duration.

Placements of trainees by public employment offices continued to expand in May and reached a new high, while referrals by public employment offices to training courses declined for the first time in 6 months. The decline was largely due to the reduced number of referrals to such courses as automotive services, woodworking, and others from which only negligible numbers of placements have been made by State employment offices. The public employment offices placed 6,650 trainees in jobs and referred more than 22,500 persons for training (table 5). A record number of 10,210 trainees were reported by the Work Projects Administration and local schools

¹ See also "Vocational Training for Defense," pp. 9-17.

Table 5.—Placements of trainees from pre-employment refresher courses, by specified characteristic, May 1941 and January–May 1941

[Corrected to July 8, 1941]

Characteristic	Placements	
	May 1941	January–May 1941
Total.....	6, 651	26, 302
Age (years)		
Under 21.....	1, 507	6, 196
21–24.....	1, 704	7, 626
25–44.....	3, 002	11, 040
45 and over.....	394	1, 392
Unspecified.....	44	40
Race		
White.....	6, 531	26, 060
Negro and other.....	76	103
Unspecified.....	44	40
Type of course taken		
Aviation services.....	2, 769	9, 772
Drafting and blueprinting.....	112	419
Machine shop.....	2, 263	10, 704
Sheet-metal work.....	431	1, 494
Welding.....	448	1, 526
All other.....	628	2, 587
Occupation in which placed		
Professional and managerial.....	118	392
Clerical and sales.....	124	512
Service.....	77	253
Agriculture, fishery, and forestry.....	10	51
Skilled.....	2, 368	9, 078
Semiskilled.....	3, 038	12, 116
Unskilled.....	915	2, 934
Unspecified.....	1	968

to have found employment without the assistance of public employment offices. Since the beginning of the program in July 1940, public employment offices and cooperating agencies have recorded a total of more than 88,800 trainees who have taken pre-employment refresher courses and found or were placed in private employment.

Trainee placements during May by public employment offices brought the total made through these facilities since the start of the program to 37,640. May placements exceeded the total for the entire first 4 months of the program and represented an increase of more than 1,000 over April, the largest monthly increment since initiation of the program. More than half the placements were made in California, Kansas, and New York, each of which accounted for approximately 1,000 or more. The outstanding increase occurred in Kansas, where placements more than tripled to nearly 1,200 because of the heavy demands of the aircraft plants for which workers are specifically trained. A similar situation probably accounted for most of the 400 additional placements reported by New York.

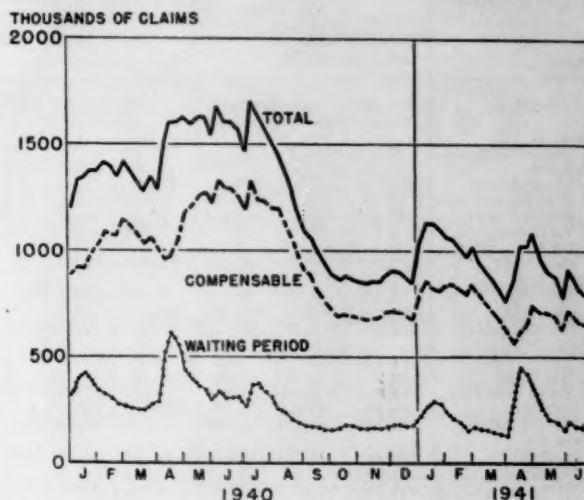
For the first time since August 1940, trainees in aviation-services courses rather than machine-shop courses were placed in largest numbers by public employment offices. As in previous months, the majority of trainees placed in jobs had been enrolled in these two courses. About a fifth of all trainee placements were made in unskilled occupations. No change occurred in the tendencies to select an increasing percentage of trainees on the basis of aptitude, to refer a greater proportion of younger workers for training, and to place a larger proportion of trainees between the ages of 25 and 45 in jobs. Referral and placements for Negro workers have improved.

California and Kansas made 1,320 and 830 referrals, respectively, to aviation-services courses; the Kansas figure represents nearly one-half of the total referred to such courses in the State during the first 10 months of the program. More than two-fifths of the 7,300 referrals to machine-shop courses were made in New Jersey, New York, and Pennsylvania; the balance is widely distributed, with no other State making more than 500 referrals. Only California and New York, with referrals of 487 and 1,166, respectively, accounted for any sizable portion of the total of more than 3,100 referrals to sheet-metal courses. Of the 3,065

applicants accepted in welding courses, nearly 600 were located in New York and the balance widely scattered throughout the country.

Although the major share of placements of trainees goes to workers over 25 years of age, an increasing proportion of the persons referred for training are younger workers. For the first time since last September, less than 40 percent of all

Chart 4.—Number of waiting-period and compensable continued claims received, for weeks ended in January 1940–June 1941



referrals represented persons aged 25–44 years. On the other hand, the proportion represented by persons under 21 years of age increased slightly to a new high of 29 percent. After a fairly large decline in April to 24 percent, referrals of persons between the ages of 21 and 24 advanced to 25 percent of the total in May. Persons aged 45 years and over represented 8 percent of all accepted applicants, the highest proportion to date for this age group.

Insurance Activities

The volume of unemployment compensation payments and claims in June 1941 was more than 40 percent below June 1940 levels, because of the sharp improvement in employment resulting from the national defense program. The reductions in practically all unemployment compensation activities this June were more marked than the changes from May to June of last year. Benefit payments amounted to \$30.5 million and were made to an average weekly total of 683,000 workers, 586,000 fewer than in June 1940. Approximately 784,000 workers received one or more payments

during the month in contrast to 1.4 million workers in June 1940. During the first half of 1941, both the number of claims received and the number of weeks compensated were one-third fewer than in the same period of 1940.

Weeks compensated.—With the continuing expansion in employment, the number of weeks of unemployment compensated decreased 3.2 percent to approximately 2.9 million in June (table 6). For comparable States this total was 46 percent

Table 6.—Continued claims received, weeks compensated, and benefits paid, by State, June 1941

[Corrected to July 23, 1941]

Social Security Board region and State	Continued claims ¹			Weeks compensated						Benefits paid				
	Number	Per- centage change from May	Compensable	Number	Per- centage change from May	Type of unemployment			Amount ²	Per- centage change from May	Type of unemployment			
						Total	Partial and part-total combined ³	Partial only ³			Total	Partial and part-total combined ³	Partial only ³	
Total.....	3,575,932	-8.6	2,882,009	2,872,409	-3.2	2,636,888	235,521	.....	\$30,529,581	-3.3	\$28,801,471	\$1,699,448	.....
Region I:														
Connecticut.....	17,539	-11.1	13,234	12,825	-15.8	11,519	1,306	(⁴)	123,213	-17.4	114,469	8,589	(⁴)	
Maine.....	21,044	-25.0	17,887	18,142	-28.7	15,801	2,841	1,653	126,662	-26.8	108,807	17,855	\$10,754	
Massachusetts.....	225,722	+1.5	186,319	178,979	+9	170,385	8,594	7,790	1,770,137	-1.0	1,722,497	44,643	38,780	
New Hampshire.....	15,904	+13.8	12,052	11,911	-8.2	10,539	1,372	1,214	91,645	-13.2	84,887	6,758	5,743	
Rhode Island.....	45,602	-14.3	41,660	41,660	-14.9	36,683	4,977	(⁴)	407,549	-16.2	379,890	27,659	(⁴)	
Vermont.....	2,730	-27.7	2,315	2,300	-30.2	2,098	202	144	19,319	-32.8	18,252	1,063	693	
Region II:														
New York.....	923,568	+5.7	720,478	734,523	+32.7	734,523	(⁴)	(⁴)	8,444,503	+32.9	8,444,503	(⁴)	(⁴)	
Region III:														
Delaware.....	3,840	-25.3	3,277	3,180	-27.0	2,331	849	784	26,379	-23.4	21,696	4,563	4,132	
New Jersey.....	138,754	-4.2	111,635	107,457	+1.3	93,388	14,069	(⁴)	1,192,994	+5.0	1,102,953	89,045	(⁴)	
Pennsylvania.....	212,527	-40.0	144,996	144,426	-47.2	144,426	(⁴)	(⁴)	1,589,354	-51.8	1,589,354	(⁴)	(⁴)	
Region IV:														
Dist. of Col.....	14,954	-13.8	13,320	12,935	-12.6	12,196	739	23	159,482	-12.7	151,295	7,869	240	
Maryland.....	60,258	-10.3	56,053	55,348	-1.8	49,139	6,209	5,785	595,490	(⁴)	549,774	45,546	41,947	
North Carolina.....	54,819	-10.1	48,805	49,442	-12.5	47,096	2,346	1,889	292,003	-4.3	283,864	7,967	5,548	
Virginia.....	58,109	-3.6	51,801	53,719	+13.1	51,620	2,099	899	404,022	+13.6	391,206	12,814	5,286	
West Virginia.....	47,149	-14.8	43,884	42,332	-10.6	35,840	6,492	6,360	423,567	-14.8	356,114	67,453	66,646	
Region V:														
Kentucky.....	20,285	-8.1	16,936	33,772	-6.9	30,522	3,250	1,306	234,954	-9.5	219,355	15,108	6,302	
Michigan.....	65,608	-19.8	55,050	56,900	-15.9	54,223	2,677	1,412	626,905	-13.8	609,343	17,562	8,969	
Ohio.....	148,271	+13.8	111,200	109,671	+16.9	95,403	14,298	(⁴)	1,038,980	+18.7	965,315	68,846	(⁴)	
Region VI:														
Illinois.....	334,609	+11.2	273,769	282,038	+21.1	229,495	52,543	33,954	3,455,835	+20.6	3,011,751	436,700	262,126	
Indiana.....	35,789	-12.9	26,192	26,150	-13.5	21,543	4,607	(⁴)	258,003	-12.3	232,153	25,745	(⁴)	
Wisconsin.....	19,093	-7.6	11,929	11,437	-6.9	10,435	1,002	351	112,319	-7.0	105,808	6,511	1,912	
Region VII:														
Alabama.....	54,016	-24.4	37,889	37,916	-6.0	35,139	2,777	421	269,138	-5.7	253,592	15,251	2,043	
Florida.....	55,177	+7.0	40,621	39,281	+6.9	34,564	4,717	(⁴)	406,642	+6.7	373,255	33,387	(⁴)	
Georgia.....	43,977	-8.9	31,977	31,901	-9.6	30,425	1,476	817	227,397	-9.2	219,273	8,124	4,716	
Mississippi.....	21,417	-15.0	18,324	17,297	-14.4	16,051	1,246	726	142,739	-7.9	135,456	7,201	3,865	
South Carolina.....	20,534	-10.7	16,799	16,485	-3.8	14,523	1,962	592	115,061	-4.7	105,323	9,597	2,489	
Tennessee.....	58,367	-18.7	49,748	45,079	-5.9	43,485	1,594	345	364,999	-4.4	355,189	9,810	1,891	
Region VIII:														
Iowa.....	25,378	-18.2	19,420	19,502	-11.2	15,990	3,512	918	167,539	-12.8	147,808	19,177	3,875	
Minnesota.....	42,554	-25.5	37,990	36,452	-34.4	31,516	4,936	3,489	351,715	-34.1	313,690	38,055	26,941	
Nebraska.....	8,087	-24.0	7,381	7,345	-28.1	6,623	722	357	63,865	-27.0	58,718	5,147	2,358	
North Dakota.....	4,661	-29.0	3,536	3,529	-24.4	2,899	630	416	31,829	-23.9	27,097	4,732	3,010	
South Dakota.....	4,669	-16.9	3,953	3,928	-12.6	3,685	243	(⁴)	25,426	-16.1	24,070	1,313	(⁴)	
Region IX:														
Arkansas.....	41,203	-10.8	37,016	37,016	-4.8	34,677	2,339	42	275,096	-3.0	265,038	10,007	137	
Kansas.....	10,856	-13.5	13,925	14,360	-2.4	12,836	1,524	762	132,868	+2.2	123,278	9,590	4,364	
Missouri.....	56,879	-20.1	37,194	40,444	-8.2	33,078	7,366	3,623	328,752	-9.5	291,082	37,662	18,494	
Oklahoma.....	27,606	-26.0	22,162	24,567	-9.4	21,846	2,721	190	239,342	-2.3	220,116	19,226	1,003	
Region X:														
Louisiana.....	74,212	-12.4	61,619	55,504	-15.8	52,019	3,485	(⁴)	536,893	-14.4	510,155	25,655	(⁴)	
New Mexico.....	8,236	-27.6	7,123	6,959	-25.8	6,336	623	399	60,555	-25.5	55,993	4,566	2,776	
Texas.....	96,415	-18.6	85,275	65,330	-12.3	56,236	9,094	(⁴)	494,631	-14.3	449,075	45,259	(⁴)	
Region XI:														
Arizona.....	6,683	-19.8	5,006	4,989	-17.6	4,666	323	6	51,989	-17.3	49,528	2,461	55	
Colorado.....	21,901	-18.5	18,860	20,290	-4.7	16,659	3,601	2,779	206,637	-4	176,071	30,500	23,738	
Idaho.....	8,178	-33.6	6,820	7,307	-23.7	6,777	530	1	73,134	-27.7	68,916	4,166	7	
Montana.....	18,716	-30.8	16,637	15,133	-37.8	15,133	(⁴)	(⁴)	166,737	-37.7	166,737	(⁴)	(⁴)	
Utah.....	5,967	-4.6	5,035	4,947	-8.8	4,270	677	285	54,246	-7.8	49,549	4,697	1,940	
Wyoming.....	5,008	-27.7	3,891	3,883	-26.0	2,712	1,171	921	46,420	-28.3	35,485	10,935	8,282	
Region XII:														
California.....	314,035	-15.3	279,815	276,393	-19.6	237,070	39,323	26,459	3,751,475	-19.6	3,385,228	358,309	232,160	
Nevada.....	4,735	-25.8	4,207	3,992	-25.2	3,529	463	116	51,160	-25.0	46,436	4,724	1,068	
Oregon.....	19,884	-13.0	15,764	12,769	-14.3	10,330	2,439	1,738	143,256	-15.1	123,626	19,337	13,425	
Washington.....	37,820	-22.7	27,925	27,062	-30.8	21,942	5,120	3,116	319,584	-29.1	273,666	45,918	28,309	
Territories:														
Alaska.....	3,298	-17.2	1,960	1,842	-33.5	1,796	46	0	25,873	-33.8	25,396	477	0	
Hawaii.....	2,169	-51.5	1,955	1,790	-53.7	1,371	419	419	11,268	-52.2	9,339	1,929	1,929	

¹ Waiting-period claims are represented by difference between total number and number of compensable claims.

² Benefits for partial and part-total unemployment are not provided by State law in Montana, New York, and Pennsylvania.

³ Includes supplemental payments, not classified by type of unemployment.

⁴ Data for partial unemployment included with data for part-total unemployment.

⁵ Increase of less than 0.05 percent.

below that of June 1940. As in the past 4 months, approximately 32 percent of all weeks compensated were for total unemployment. Delaware,

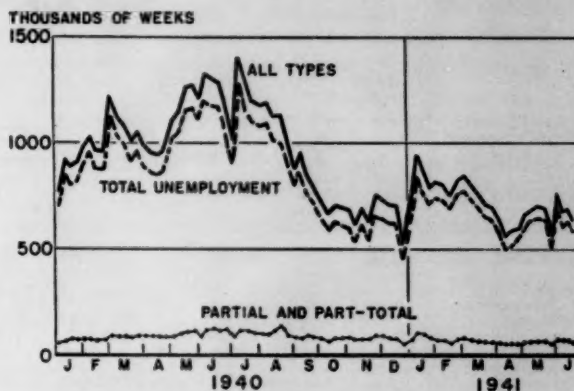
Table 7.—Continued claims received for all types of unemployment,¹ by State, for weeks ended in June 1941

[In thousands; data corrected to July 21, 1941]

Social Security Board region and State	Weekly average		Number for week ended—			
	Num- ber	Perce- ntage change from May	June 7	June 14	June 21	June 28
Type of unemployment:						
All types.....	842.6	-8.3	911.6	850.4	813.7	794.8
Total only.....	708.5	-9.0	830.2	773.6	742.5	728.0
Partial and part-total.....	74.1	-0.8	81.4	76.8	71.2	66.8
All Types						
Region I:						
Connecticut.....	4.2	-9.4	4.2	4.1	4.3	4.2
Maine.....	5.0	-24.7	5.7	5.1	4.7	4.4
Massachusetts.....	50.4	-5.0	52.9	50.2	49.0	49.3
New Hampshire.....	4.4	+7.3	4.9	4.5	4.3	3.8
Rhode Island.....	10.6	-11.8	11.4	11.2	10.2	9.4
Vermont.....	.6	-32.9	.8	.7	.5	.6
Region II:						
New York.....	219.3	+10.5	221.0	217.3	217.7	220.9
Region III:						
Delaware.....	.9	-21.7	1.2	.9	.7	.8
New Jersey.....	33.0	(²)	36.4	32.9	31.8	30.9
Pennsylvania.....	49.7	-48.7	54.0	51.0	47.6	46.2
Region IV:						
Dist. of Col.....	3.6	-9.7	3.8	3.6	3.6	3.3
Maryland.....	14.3	-7.0	15.1	14.5	14.0	13.6
North Carolina.....	13.2	-3.4	13.3	13.2	13.1	13.1
Virginia.....	14.2	+6.8	14.1	16.4	13.3	13.1
West Virginia.....	11.2	-40.0	13.0	11.0	10.5	10.3
Region V:						
Kentucky.....	5.0	+5.7	5.4	5.0	4.8	4.9
Michigan.....	15.1	-26.0	14.8	16.0	15.4	14.2
Ohio.....	29.1	-1.2	36.7	28.7	24.6	26.5
Region VI:						
Illinois.....	80.6	+16.8	90.4	82.4	72.8	67.8
Indiana.....	8.6	-7.2	9.4	8.1	8.2	8.8
Wisconsin.....	4.5	-8.5	4.6	4.3	4.3	4.6
Region VII:						
Alabama.....	13.0	-18.7	12.0	13.1	15.8	11.2
Florida.....	13.1	+11.9	11.8	13.3	12.7	14.4
Georgia.....	10.5	-6.4	9.7	10.6	10.9	10.7
Mississippi.....	5.0	-13.1	5.2	5.2	4.7	5.0
South Carolina.....	5.0	-2.8	4.2	6.0	4.3	5.6
Tennessee.....	13.9	-16.1	12.5	14.9	13.2	14.8
Region VIII:						
Iowa.....	6.2	-13.3	6.9	6.2	5.6	5.9
Minnesota.....	10.0	-27.5	12.6	10.1	9.6	7.6
Nebraska.....	2.1	-21.9	2.4	2.0	2.1	1.8
North Dakota.....	1.0	-29.7	1.1	1.0	.9	.8
South Dakota.....	1.1	-15.6	1.1	1.1	1.2	1.0
Region IX:						
Arkansas.....	9.6	-9.9	12.1	9.6	9.3	7.6
Kansas.....	4.1	-8.6	4.8	3.9	4.0	3.8
Missouri.....	14.2	-13.1	16.5	14.7	13.5	12.0
Oklahoma.....	6.6	-22.2	7.1	6.7	6.7	6.1
Region X:						
Louisiana.....	17.9	-4.0	19.4	17.0	17.8	17.3
New Mexico.....	2.0	-22.2	2.3	2.2	1.8	1.7
Texas.....	22.6	-15.9	24.6	23.6	22.6	19.8
Region XI:						
Arizona.....	1.6	-12.6	1.8	1.5	1.5	1.7
Colorado.....	5.3	-13.5	5.6	5.6	5.5	4.6
Idaho.....	1.9	-32.9	2.2	2.1	1.7	1.7
Montana.....	4.5	-26.5	5.3	4.6	4.3	4.0
Utah.....	1.4	+1.7	1.6	1.5	1.4	1.3
Wyoming.....	1.2	-22.4	1.4	1.3	1.2	.9
Region XII:						
California.....	74.9	-12.0	85.2	74.9	72.0	67.6
Nevada.....	1.1	-24.0	1.3	1.1	1.0	1.0
Oregon.....	4.8	-7.3	5.7	4.7	4.5	4.5
Washington.....	9.2	-17.4	11.3	9.3	7.5	8.6
Territories:						
Alaska.....	.8	-16.9	.9	1.1	.6	.7
Hawaii.....	.5	-51.5	.9	.4	.4	.4

¹ Represents claims for total, partial, and part-total unemployment.
² Does not provide benefits for partial and part-total unemployment.
³ Increase of less than 0.05 percent.

Chart 5.—Number of weeks compensated, by type of unemployment, for weeks ended in January 1940–June 1941



Hawaii, and Wyoming were the only States in which a fifth or more of all weeks compensated were for partial and part-total unemployment.

Benefit payments.—Benefit payments to unemployed workers declined 3.3 percent from May (table 6). Only eight States paid more benefits than in the previous month. The increases in three of these—Illinois, New York, and Virginia—reflected the continued receipt of heavy volumes of compensable claims in the third month of new uniform benefit years; in Ohio the increase resulted from payments finally allowed to coal miners who had been idle during the 1939 and 1941 contract negotiations.

Payments during the first half of 1941 have amounted to \$196.6 million, 31 percent less than during January–June 1940. The difference between the amount of benefits paid this year and last has increased continuously, as shown below.

Month	1940 (in thou- sands)	1941 (in thou- sands)	Percentage decrease
January.....	\$40,906	\$39,270	4
February.....	44,328	34,611	22
March.....	47,130	33,608	29
April.....	42,286	26,998	36
May.....	54,879	31,574	42
June.....	53,618	30,530	43

Of the 31 States which have had 6 full months of benefit-payment experience in the first half of each of the last 2 years, 25 paid less in January–June 1941 than in any corresponding period. Only the District of Columbia, largely because of modification of its benefit provisions, paid more than in either of the previous two comparable periods.

Table 8.—Average weekly number of claimants receiving benefits, number receiving first payments, and number exhausting benefit rights, by State, June 1941

[Corrected to July 21, 1941]

Social Security Board region and State	Claimants receiving benefits ¹		Claimants receiving first payments		Claimants exhausting benefit rights	
	Average weekly number	Percentage change from May	Number	Percentage change from May	Number	Percentage change from May
Total	682,857	+3.6	251,804	-43.3	97,286	-2.2
Region I:						
Connecticut.....	3,032	-11.6	1,410	-32.3	1,006	+1.7
Maine.....	4,338	-25.3	1,555	-43.1	208	(²)
Massachusetts.....	42,324	+3.9	16,292	-41.1	4,807	+34.9
New Hampshire.....	2,887	-7.1	1,058	+2	389	-18.8
Rhode Island.....	9,594	-12.3	3,323	+5.2	3,471	+44.0
Vermont.....	556	-26.8	181	-35.1	136	-46.2
Region II:						
New York.....	171,997	+46.7	63,421	-48.4	0	(³)
Region III:						
Delaware.....	770	-23.4	373	-32.7	261	-35.2
New Jersey.....	26,096	+12.2	13,364	-5.1	6,478	+6.4
Pennsylvania.....	35,142	-44.7	17,220	-80.4	10,236	-23.2
Region IV:						
Dist. of Col.....	3,119	-5.2	774	-21.6	571	+15.8
Maryland.....	13,723	+13.0	4,443	-21.8	3,659	+120.6
North Carolina.....	11,928	-2.6	3,283	-19.3	2,035	-5.3
Virginia.....	12,937	+25.6	3,672	-54.8	2,399	(⁴)
West Virginia.....	10,145	-1.9	3,473	-52.5	(⁵) 5	-68.8
Region V:						
Kentucky.....	8,443	+7.4	3,072	-22.7	1,139	-4.5
Michigan.....	14,225	-4.4	4,245	-35.9	2,272	-24.7
Ohio.....	19,330	-12.6	8,860	+40.6	4,004	+4.3
Region VI:						
Illinois.....	68,343	+32.1	30,161	-19.8	7,625	+526.0
Indiana.....	6,339	-5.3	(⁶)		(⁷)	
Wisconsin.....	2,794	-5	(⁸)		(⁹)	
Region VII:						
Alabama.....	9,076	-2	2,770	-20.8	1,119	-21.8
Florida.....	9,382	+16.2	3,679	+1.4	1,794	+9.4
Georgia.....	7,550	-3.8	2,569	-30.3	1,752	-29.8
Mississippi.....	4,159	-8.8	1,420	-30.0	773	-25.0
South Carolina.....	3,984	+3.8	1,328	-3.3	740	+4.5
Tennessee.....	10,852	+1.0	3,942	-12.2	1,952	-4.6
Region VIII:						
Iowa.....	4,596	-10.4	1,729	-30.2	1,332	-27.6
Minnesota.....	8,729	-33.1	2,508	-36.8	1,941	-45.8
Nebraska.....	1,751	-25.2	459	-29.0	401	-44.8
North Dakota.....	860	-21.9	279	-36.9	165	-71.6
South Dakota.....	958	-10.8	200	-49.5	0	(¹⁰)
Region IX:						
Arkansas.....	8,600	-4.4	1,745	-45.0	1,436	+8.4
Kansas.....	3,514	+7.1	1,395	-45.6	623	-40.5
Missouri.....	9,823	(¹¹)	5,808	-20.5	3,752	-17.9
Oklahoma.....	5,874	-6.9	2,775	-8.9	2,420	-6.9
Region X:						
Louisiana.....	13,209	-8.8	5,081	-30.7	4,476	+27.7
New Mexico.....	1,608	-26.4	477	-32.5	300	-37.9
Texas.....	15,668	-6.5	6,596	-25.9	4,911	-10.3
Region XI:						
Arizona.....	1,198	-10.7	676	+8.7	640	+11.3
Colorado.....	4,863	+5	2,080	+9.4	661	-39.4
Idaho.....	1,774	-19.6	421	-51.7	415	-54.8
Montana.....	3,695	-32.7	796	-39.1	861	-46.1
Utah.....	1,202	-4.6	383	+5.2	338	-13.6
Wyoming.....	943	-17.6	496	-22.5	654	+131.1
Region XII:						
California.....	69,098	-8.0	17,704	-37.2	10,509	-26.3
Nevada.....	974	-17.9	289	-38.1	207	-35.1
Oregon.....	3,192	-6.8	1,486	-15.0	921	-27.9
Washington.....	6,766	-20.8	2,075	-36.6	1,456	-32.0
Territories:						
Alaska.....	460	-26.4	362	-28.2	36	-61.3
Hawaii.....	437	-53.1	96	-56.6	(¹²)	

¹ Represents average number of weeks of unemployment compensated during weeks ended within month.

² Excludes Indiana and Wisconsin.

³ Excludes Indiana, Wisconsin, and Hawaii.

⁴ Represents claimants exhausting benefit rights under uniform-duration provisions of State law.

⁵ Not computed for States with uniform-duration provisions and uniform benefit years beginning Apr. 1, because few or no exhaustions occurred in May.

⁶ Increase of more than 1,000 percent.

⁷ Data not comparable.

⁸ Increase of less than 0.05 percent.

⁹ Data not reported.

Claims received.—Continued claims received in June dropped 8.6 percent to 3.6 million (table 6), the lowest volume since October 1939. They averaged 843,000 weekly, 8.3 percent below the preceding month (table 7) and the lowest monthly average on record. The number of persons filing claims declined steadily from 912,000 in the week ended June 7 to 795,000 in the last week ended within the month; in the last week of June 1940 approximately 1.6 million persons had filed claims for benefits. Only Florida, Illinois, Massachusetts, New Hampshire, New York, and Ohio received more claims in June than in May.

Average number of claimants.—Although increases were reported in only a few States, the average weekly number of benefit recipients increased 3.6 percent from May (table 8). The increase for the country as a whole was caused principally by sharp gains in Illinois, New York, and Virginia, which started uniform benefit years in April. The increases in these States ranged from 26 to 47 percent. Among the 38 States reporting declines, a reduction of 53 percent occurred in Hawaii, of 45 percent in Pennsylvania, and of 33 percent in Minnesota and Montana.

Interstate claims.—Benefit payments of nearly \$1.8 million covering 154,000 weeks of unemployment were issued to workers filing claims in States other than those in which they had earned their benefit rights. This number was 1,290 less than in May. For the ninth successive month, 6 or more weeks of interstate unemployment have been compensated for every 100 weeks of intrastate total unemployment; in June 1940 the ratio was only 4.2. In the first 6 months of 1941, approximately \$11.8 million was disbursed to compensate workers for more than 1 million weeks of interstate unemployment, compared with \$12.4 million for 1.1 million weeks in January-June 1940.

Financial Transactions, Second Quarter, 1941

Collections.—Unemployment compensation funds during April-June 1941 exceeded the \$2 billion mark (table 9) for the first time. Collections based on pay rolls for the first quarter of 1941 amounted to more than \$242 million and were \$17 million or 7.8 percent above collections in the previous quarter; higher industrial pay rolls were responsible for the gain. The increase was in marked contrast to the experience of previous years; in 1939 and 1940 contributions declined

17 and 8 percent, respectively, from the first to the second quarters.

Increased contributions over January-March were reported by 32 of the 49 States submitting comparable data for both periods. The largest gain—28 percent—occurred in Georgia, and increases of 16 percent or more were shown by Louisiana, New York, Rhode Island, and Wisconsin. On the other hand, collections dropped at least 40 percent in Nebraska, New Hampshire, and South Dakota. The reduction in New Hampshire is accounted for by the fact that employers permitted to report on a semiannual basis make their contributions in the first and third quarters of each year. The operation of experience-rating

plans in Nebraska and South Dakota, as well as in Minnesota, Vermont, Virginia, and West Virginia, was responsible, for the most part, for the drop in these States. First-quarter collections were based on pay rolls for the fourth quarter of 1940, to which current experience rates do not apply.

Collections in April-June 1941 represented a 17-percent gain over the comparable 1940 quarter; only six States collected smaller amounts. Declines in Minnesota, Nebraska, South Dakota, and Texas resulted largely from modification in tax rates due to experience rating. In the District of Columbia, the decrease was attributable to a reduction in the pay-roll tax from 3 to 2.7 percent, effective July 1, 1940.

For the 6 months January-June 1941 more collections were deposited in State clearing accounts than in any other half-year period. Contributions totaled \$467 million, 9.0 percent more than the amount collected in January-June 1940. Increases varied widely for the 41 States reporting advances. The reductions in the District of Columbia, Minnesota, Nebraska, and South Dakota again reflected modified tax rates.

Available funds.—Collections deposited and interest earned (\$254.8 million) during the second quarter of 1941 on accounts in the unemployment trust fund exceeded benefit payments and transfers (\$91.5 million) to the railroad unemployment insurance account by \$163.3 million. As a result there was a net increase from the preceding quarter of 8.4 percent in funds available for benefit payments, which totaled more than \$2.1 billion at the end of June. Increases in the amount of funds available were reported in every jurisdiction except Georgia and Montana. The transfer of funds to the railroad unemployment insurance account was entirely responsible for the decrease in Georgia.

Ratio of benefits to collections.—With employment rising and the unemployment compensation claim load diminishing, benefit expenditures in the first 6 months of 1941 represented only 42 cents out of every \$1 collected (table 10); in contrast they constituted more than 65 cents per \$1 collected during January-June 1940. Ratios were lower than a year ago in 46 jurisdictions, with the sharpest reductions in Alaska, New Hampshire, Rhode Island, Vermont, and Wyoming. The ratio of payments to collections decreased from

Chart 6.—Ratio of benefits paid to contributions collected, by State, January-June 1941

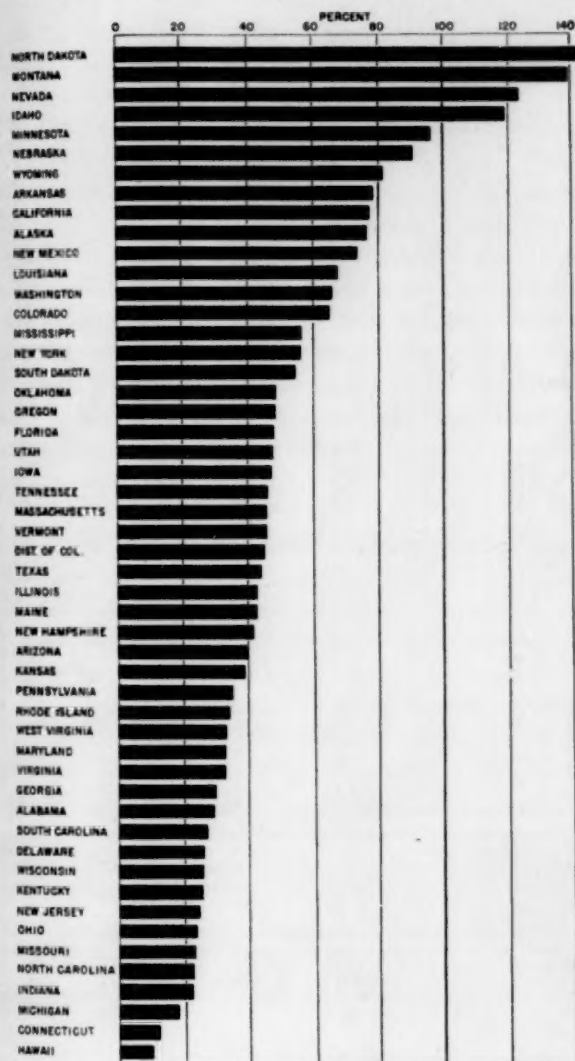


Table 9.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits paid, by State, by specified period through June 1941

[Amounts in thousands; data corrected to July 29, 1941]

Social Security Board region and State	Month and year benefits first payable	Funds available for benefits as of June 30, 1941		Collections ¹					Benefits paid ²			
		Amount ¹	Percentage change from Mar. 31, 1941 ³	Cumulative through June 1941 ⁴		July 1940-June 1941	April-June 1941		Cumulative through June 1941 ⁷	July 1940-June 1941	April-June 1941	
				Collections and interest ⁵	Collections		Amount	Percentage change from January-March 1941			Amount	Percentage change from January-March 1941
Total		\$2,104,872	+8.4	\$5,750,693	\$3,622,439	\$888,450	\$242,198	+7.8	\$1,539,920	\$432,417	\$88,822	-17.1
Region I:												
Connecticut	Jan. 1938	53,717	+12.1	78,443	75,919	21,792	5,934	-4.0	23,934	3,218	458	-30.3
Maine	do	5,350	+15.8	17,571	17,242	4,216	1,141	+6.8	11,966	2,486	442	-10.5
Massachusetts	do	90,793	+8.4	180,783	174,690	39,874	11,245	+11.3	87,677	25,134	4,778	-4.4
New Hampshire	do	7,004	+3.9	14,471	13,984	2,901	573	-41.9	7,228	1,495	354	+22.2
Rhode Island	do	15,770	+15.1	40,849	39,968	10,767	3,217	+17.4	24,927	4,693	1,237	+60.6
Vermont	do	3,708	+8.6	6,711	6,486	1,585	381	-10.8	2,676	650	109	-57.9
Region II:												
New York	do	237,711	+9.1	548,822	533,118	130,463	36,501	+16.6	304,252	87,124	18,038	-10.1
Region III:												
Delaware	Jan. 1939	8,008	+8.5	10,357	9,930	2,441	687	+14.8	1,888	647	108	-52.0
New Jersey	do	153,783	+8.8	195,725	187,647	52,554	14,779	+11.8	37,674	13,113	3,203	-11.0
Pennsylvania	Jan. 1938	102,753	+11.1	355,399	346,295	84,919	23,022	+6.4	185,948	33,723	7,695	-1.9
Region IV:												
Dist. of Columbia	do	21,619	+5.5	28,932	27,588	4,962	1,558	+13.4	6,523	2,392	558	-26.8
Maryland	do	26,549	+10.7	52,766	51,403	13,806	4,014	+13.3	25,021	5,322	1,607	+66.4
North Carolina	do	30,230	+11.1	50,098	48,556	12,644	3,688	+9.5	18,765	3,558	851	+15.0
Virginia	do	23,082	+7.6	43,213	41,820	10,160	2,365	-16.3	17,677	4,413	881	+8.7
West Virginia	do	22,844	+6.9	45,812	44,709	10,647	2,436	-15.4	21,966	3,811	1,091	+63.7
Region V:												
Kentucky	Jan. 1939	34,429	+6.7	48,303	46,222	11,255	2,963	+1.9	11,122	3,797	725	-6.3
Michigan	July 1938	96,971	+17.9	208,672	203,496	57,208	16,347	+8.3	109,769	21,195	2,183	-35.4
Ohio	Jan. 1939	189,038	+8.8	253,511	242,529	61,589	17,095	+7.8	55,937	17,393	3,011	-35.6
Region VI:												
Illinois	July 1939	213,672	+6.3	303,544	290,975	70,625	19,167	+7.9	76,032	35,180	7,838	-1
Indiana	Apr. 1938	54,174	+11.5	96,036	92,756	23,153	6,187	+1.2	38,673	6,717	907	-49.7
Wisconsin	July 1936	61,868	+4.9	84,845	80,094	12,135	2,941	+18.6	21,012	3,364	414	-28.2
Region VII:												
Alabama	Jan. 1938	21,481	+11.6	40,361	39,233	10,664	2,939	+3.7	18,880	4,058	834	-3.7
Florida	Jan. 1939	14,467	+9.1	27,881	26,939	7,290	2,223	+9.2	11,905	5,877	1,100	+17.0
Georgia	do	26,841	-1.1	38,367	36,817	9,046	2,679	+28.2	9,087	3,676	697	-2.7
Mississippi	Apr. 1938	4,771	+7.9	11,386	11,042	2,881	765	-10.0	5,973	1,917	444	-5.6
South Carolina	July 1938	13,775	+10.2	20,451	19,616	5,236	1,549	+14.2	5,985	1,998	352	-16.3
Tennessee	Jan. 1938	16,979	+10.4	37,740	36,667	9,216	2,612	+7.9	19,234	5,313	1,116	-6.8
Region VIII:												
Iowa	July 1938	18,943	+8.7	34,734	33,536	7,713	2,003	+2.2	13,669	3,288	604	-52.4
Minnesota	Jan. 1938	24,429	+2.8	57,564	55,810	11,041	2,327	-22.0	30,618	8,470	1,804	-45.5
Nebraska	Jan. 1939	9,569	+1.7	15,341	14,659	2,212	393	-40.2	4,090	1,622	294	-54.9
North Dakota	do	2,015	+2.8	4,169	4,004	736	194	(10)	1,577	612	151	-42.5
South Dakota	do	3,382	+2.5	4,786	4,563	966	150	-45.9	1,000	373	88	-38.4
Region IX:												
Arkansas	do	7,023	+2.1	14,303	13,800	3,416	897	+7	6,192	2,708	796	+31.4
Kansas	do	15,613	+6.9	23,628	22,611	4,863	1,311	+8.1	5,290	1,748	391	-33.2
Missouri	do	67,492	+7.8	87,657	83,957	20,827	5,476	-3.9	15,294	5,964	1,019	-34.5
Oklahoma	Dec. 1938	18,614	+5.7	29,190	27,922	6,170	1,605	+1.5	9,575	3,126	718	-14.3
Region X:												
Louisiana	Jan. 1938	19,377	+5.8	40,505	39,157	7,918	2,606	+16.0	19,948	6,778	1,666	+3.3
New Mexico	Dec. 1938	2,701	+5.5	6,192	5,969	1,426	357	-9	2,976	1,129	233	-20.8
Texas	Jan. 1938	59,762	+4.3	97,287	93,486	18,712	3,698	(10)	33,298	7,885	1,591	-8.3
Region XI:												
Arizona	do	3,866	+12.7	9,389	9,153	2,146	599	+10.2	5,185	1,062	185	-30.8
Colorado	Jan. 1939	10,990	+6.5	21,693	20,843	4,662	1,255	+7.9	9,204	3,244	654	-28.5
Idaho	Sept. 1938	2,554	+5.3	8,729	8,481	2,058	480	-12.9	5,802	1,793	367	-57.4
Montana	July 1939	4,933	-1.6	12,041	11,609	2,845	674	-12.6	5,923	2,967	783	-36.1
Utah	Jan. 1938	4,782	+12.1	11,809	11,514	2,865	687	-10.7	6,511	1,522	198	-56.6
Wyoming	Jan. 1939	2,248	+5.7	5,736	5,549	1,230	313	-2.0	2,886	868	205	-33.3
Region XII:												
California	Jan. 1938	168,317	+6.0	335,614	323,757	80,199	22,201	+14.3	159,493	62,143	13,747	-25.8
Nevada	Jan. 1939	1,096	+3.2	3,999	3,882	987	238	-7.8	2,547	1,050	210	-45.0
Oregon	Jan. 1938	12,115	+12.5	28,515	27,780	7,138	1,859	+6.0	15,810	3,031	584	-30.0
Washington	Jan. 1939	24,756	+8.6	45,981	44,325	11,524	3,163	+10.9	19,550	7,399	1,348	-48.2
Territories:												
Alaska	do	1,254	+2.8	2,355	2,282	679	128	-13.8	1,088	455	101	-8.0
Hawaii	do	7,684	+8.0	8,427	8,049	2,058	576	+12.6	663	198	54	+16.5

¹ Represents sum of balances at end of month in State clearing account, benefit-payment account, and unemployment trust fund account maintained in the U. S. Treasury.

² Not adjusted for transfer to railroad unemployment insurance account during April-June 1941.

³ Represents contributions plus such penalties and interest collected from employers and contributions from employees as are available for benefit payments. Figures are adjusted for refunds of contributions and for dishonored contribution checks. Employer contributions of 2.7 percent of taxable wages are collected in all States except Michigan, where rate is 3 percent. Employee contributions of 1.5 percent of taxable wages are collected in Rhode Island and of 1 percent in Alabama, California, Kentucky, and New Jersey. Contributions are collected on monthly basis in North Carolina, West Virginia, and Wisconsin. All other States collect, either wholly or in part, on quarterly basis.

⁴ Includes refund of \$40,562,000 by Federal Government to 13 States, Alaska, and Hawaii collected on pay rolls for 1936 under title IX of the Social Security Act. Also includes collections from railroad employers through June 30, 1939.

⁵ Interest represents earnings of State accounts in unemployment trust fund.

⁶ Adjusted for voided benefit checks.

⁷ Includes benefits paid to railroad workers through June 30, 1939.

⁸ Based on 49 States reporting comparable data for both periods. See footnote 10.

⁹ Includes \$2,147,000 in benefits paid in Wisconsin prior to Jan. 1, 1938.

¹⁰ Not computed, because data for States that shifted either wholly or in part from monthly to quarterly contribution basis during 1940 or 1941 are not comparable.

\$1.55 to 76 cents in Alaska, from \$1.53 to 81 cents in Wyoming, and from more than \$1.00 to less than 50 cents in New Hampshire, Rhode Island, and Vermont. The decline in Vermont is partly accounted for by the fact that the State shifted from a monthly to a quarterly contribution basis in January 1940. Of the 5 States reporting higher ratios for the first 6 months of 1941, the increase in North Dakota was the largest—from \$1.01 to \$1.43 for each \$1 received; the State shifted from a monthly to a quarterly contribution basis in January 1941. The rise in the District of Columbia, from 28 cents to 45 cents, is due to a reduction in its pay-roll tax from 3 percent to 2.7 percent, effective July 1, 1940. The increased ratios, from 75 cents to 90 cents in Nebraska and from 43 cents to 54 cents in South Dakota, reflect the operation of experience-rating plans since January 1, 1940. In Louisiana, the slight increase results from the repeal of the employee-contribution provision in the middle of 1940.

In Montana and North Dakota approximately \$1.40 was disbursed for every \$1 collected. Benefit payments also exceeded collections in Idaho and Nevada. Disbursements nearly equaled contributions in Minnesota and Nebraska. Connecticut and Hawaii, with 11 cents and 9 cents paid, respectively, for each \$1 received, ranked lowest in the relative volume of disbursements. These two States also had the lowest ratios in previous periods. Nineteen other States paid less than 40 cents for every \$1 collected.

State Amendments

Four States amended their employment security laws in July: California, the District of Columbia, Massachusetts, and Texas. Illinois, which approved a bill June 30, is also included in this analysis.

Coverage.—Illinois and Texas amended coverage provisions. Illinois adopted new employment exclusions as follows: service of insurance agents on commission basis, service in short-time work of minor students, and service in connection with illegal making or recording of bets or pool selling, betting, or illegal operation of any lottery. Illinois also postponed the dead line for application for coverage termination. Texas amended employment exclusions to conform to exclusions in the Federal law.

Contributions.—Illinois amended collection

methods to provide a penalty of 2 percent per month (maximum 10 percent) for failure to file a wage report, and also for failure to file a deficiency

Table 10.—Ratio of benefits to collections,¹ by State and by specified period through June 1941

[Corrected to July 26, 1941]

Social Security Board region and State	Month and year benefits first payable	Ratio ² (percent) of—			
		Benefits to collections January-June 1941	Benefits to collections July 1940-June 1941	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest ³
Total.....		42.0	48.7	59.3	41.0
Region I:					
Connecticut.....	Jan. 1938..	11.4	14.8	39.4	30.5
Maine.....	do.....	42.4	59.0	88.4	68.1
Massachusetts.....	do.....	45.8	63.0	65.7	48.5
New Hampshire.....	do.....	41.2	51.5	73.8	50.0
Rhode Island.....	do.....	33.7	43.6	77.5	61.0
Vermont.....	do.....	45.3	41.6	52.6	39.9
Region II:					
New York.....	do.....	56.2	66.8	69.7	55.4
Region III:					
Delaware.....	Jan. 1939..	26.0	26.5	31.1	18.2
New Jersey.....	do.....	24.3	25.7	30.8	19.2
Pennsylvania.....	Jan. 1938..	34.8	39.7	67.2	52.3
Region IV:					
Dist. of Col.....	do.....	45.0	47.9	29.9	22.5
Maryland.....	do.....	32.7	38.5	59.0	47.4
North Carolina.....	do.....	22.5	30.5	47.8	37.4
Virginia.....	do.....	32.6	43.4	52.7	40.9
West Virginia.....	do.....	33.1	35.8	63.4	47.9
Region V:					
Kentucky.....	Jan. 1939..	25.5	33.7	40.1	23.0
Michigan.....	July 1938..	17.7	37.0	77.7	52.6
Ohio.....	Jan. 1939..	23.3	28.2	38.1	22.1
Region VI:					
Illinois.....	July 1939..	42.8	49.8	54.2	28.0
Indiana.....	Apr. 1938..	22.0	29.0	58.4	40.3
Wisconsin.....	July 1936..	25.9	27.7	38.9	24.8
Region VII:					
Alabama.....	Jan. 1938..	29.4	38.0	61.9	46.8
Florida.....	Jan. 1939..	47.9	80.6	69.1	42.7
Georgia.....	do.....	29.6	40.6	42.1	23.7
Mississippi.....	Apr. 1938..	56.6	66.5	73.1	52.4
South Carolina.....	July 1938..	26.6	38.2	44.4	29.3
Tennessee.....	Jan. 1938..	46.0	57.6	66.4	51.0
Region VIII:					
Iowa.....	July 1938..	47.2	42.6	57.6	39.4
Minnesota.....	Jan. 1938..	96.3	76.7	69.6	53.2
Nebraska.....	Jan. 1939..	90.1	73.3	53.2	26.6
North Dakota.....	do.....	143.2	83.2	73.7	37.8
South Dakota.....	do.....	54.3	38.6	38.0	20.9
Region IX:					
Arkansas.....	do.....	78.4	79.3	72.1	43.3
Kansas.....	do.....	38.7	35.9	41.9	22.4
Missouri.....	do.....	23.0	28.6	30.3	17.4
Oklahoma.....	Dec. 1938..	48.8	50.7	61.7	32.8
Region X:					
Louisiana.....	Jan. 1938..	67.5	85.6	63.1	49.2
New Mexico.....	Dec. 1938..	73.5	79.2	83.7	48.1
Texas.....	Jan. 1938..	43.9	42.1	45.0	34.2
Region XI:					
Arizona.....	do.....	39.5	49.5	72.4	55.2
Colorado.....	Jan. 1939..	64.9	69.6	76.0	42.4
Idaho.....	Sept. 1938..	119.2	87.1	105.0	66.5
Montana.....	July 1939..	139.0	104.3	107.0	49.2
Utah.....	Jan. 1938..	47.4	53.1	72.4	55.1
Wyoming.....	Jan. 1939..	81.2	70.5	90.4	50.3
Region XII:					
California.....	Jan. 1938..	77.5	77.5	62.0	47.5
Nevada.....	Jan. 1939..	123.9	107.2	106.9	63.7
Oregon.....	Jan. 1938..	48.5	42.5	71.8	55.4
Washington.....	Jan. 1939..	65.7	64.2	75.9	42.5
Territories:					
Alaska.....	do.....	76.2	67.0	77.2	46.2
Hawaii.....	do.....	9.2	9.6	13.7	7.9

¹ See table 9, footnote 3.

² Not adjusted for transfers to railroad unemployment insurance account.

³ Comparisons between States are valid only for those States which initiated benefit payments at the same time.

⁴ Ratio for Wisconsin computed on basis of collections and benefits paid since Jan. 1, 1938.

wage report within 30 days after notice; and prohibited the refund of any erroneously collected contribution paid after determination and assess-

Table 11.—Status of State accounts in the unemployment trust fund, by State, fiscal year 1940-41

[In thousands]

Social Security Board region and State	Balance as of June 30, 1940	Fiscal year 1940-41					Balance as of June 30, 1941
		Deposits	Interest received	Withdrawals			
				Total	Transfers to railroad unemployment insurance account		
Total.....	\$1,692,210	\$891,018	\$45,893	\$537,803	\$104,100	\$2,091,318	
Region I:							
Connecticut.....	33,803	21,817	1,071	3,109	9	53,582	
Maine.....	3,739	4,212	105	2,755	255	5,301	
Massachusetts.....	76,186	39,885	1,987	28,013	2,313	90,045	
New Hampshire.....	5,510	2,918	153	1,738	238	6,843	
Rhode Island.....	9,176	10,753	302	4,627	152	15,605	
Vermont.....	2,683	1,584	80	650	-----	3,696	
Region II:							
New York.....	194,392	130,458	5,238	93,508	6,858	236,579	
Region III:							
Delaware.....	6,464	2,433	172	1,138	461	7,932	
New Jersey.....	115,117	52,569	3,262	17,469	4,269	153,480	
Pennsylvania.....	113,087	84,847	3,296	39,199	6,699	162,031	
Region IV:							
Dist. of Columbia.....	19,174	5,084	495	3,170	790	21,584	
Maryland.....	18,514	13,817	550	6,495	1,195	25,386	
North Carolina.....	21,629	12,837	613	4,903	1,103	30,178	
Virginia.....	19,249	10,141	500	6,939	2,454	22,950	
West Virginia.....	15,783	10,710	453	5,002	1,002	21,945	
Region V:							
Kentucky.....	28,751	11,274	775	6,528	2,752	34,272	
Michigan.....	50,962	57,720	1,858	22,981	1,932	96,559	
Ohio.....	149,056	61,577	4,079	25,970	8,535	188,743	
Region VI:							
Illinois.....	185,972	70,609	4,836	48,814	13,841	212,603	
Indiana.....	39,492	23,150	1,141	9,790	3,190	53,994	
Wisconsin.....	53,362	11,911	1,394	5,314	1,964	61,353	
Region VII:							
Alabama.....	14,281	10,760	436	4,130	-----	21,347	
Florida.....	14,095	7,315	318	7,409	1,509	14,319	
Georgia.....	22,359	9,520	608	7,139	2,439	25,348	
Mississippi.....	4,268	2,930	106	2,562	642	4,741	
South Carolina.....	10,132	5,280	288	1,950	-----	13,750	
Tennessee.....	13,969	9,255	371	6,857	1,527	16,737	
Region VIII:							
Iowa.....	16,180	7,693	416	5,447	2,122	18,851	
Minnesota.....	23,663	11,069	584	11,137	2,517	24,179	
Nebraska.....	10,393	2,210	238	3,312	1,682	9,529	
North Dakota.....	2,384	750	54	1,182	577	2,005	
South Dakota.....	3,109	972	80	794	403	3,367	
Region IX:							
Arkansas.....	7,100	3,434	168	3,773	1,088	6,928	
Kansas.....	14,811	4,866	360	4,475	2,725	15,563	
Missouri.....	55,575	21,200	1,495	10,996	4,871	67,274	
Oklahoma.....	16,105	6,185	426	4,156	1,001	18,560	
Region X:							
Louisiana.....	18,411	8,403	455	7,930	1,180	19,339	
New Mexico.....	2,838	1,430	65	1,655	515	2,679	
Texas.....	51,491	18,826	1,368	12,027	4,227	59,658	
Region XI:							
Arizona.....	2,985	2,146	83	1,383	338	3,831	
Colorado.....	10,788	4,665	255	4,803	1,528	10,906	
Idaho.....	2,551	2,061	64	2,183	373	2,492	
Montana.....	5,742	3,002	131	4,036	1,186	4,839	
Utah.....	3,790	2,921	104	2,047	519	4,768	
Wyoming.....	2,377	1,245	53	1,487	602	2,188	
Region XII:							
California.....	153,752	80,183	3,966	71,954	7,804	165,948	
Nevada.....	1,474	988	30	1,457	357	1,035	
Oregon.....	8,175	7,151	253	3,585	590	11,999	
Washington.....	21,644	11,505	567	9,105	1,675	24,611	
Territories:							
Alaska.....	984	678	27	463	13	1,222	
Hawaii.....	5,674	2,069	164	257	80	7,650	

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

ment by the agency became final. Texas adopted the \$3,000 wage limitation for both contribution and benefit purposes.

Experience rating.—California and Illinois amended their experience-rating provisions. California established a computation date for rate changes; provided for computing rates on the basis of the annual pay roll averaged over the last 3 years (instead of 3 or 5 years, whichever is higher); provided a requirement of 12 quarters of benefit experience for rate reduction; and added a new provision that whenever the balance in the State fund falls below 1½ times the amount of benefits paid during the preceding calendar year, the administrative agency may establish a 2.7-percent rate for all employers. Illinois redefined benefit wages as base-period wages—up to \$1,375 (instead of \$1,024) per worker, per employer—paid to workers who receive benefits equal to three times the worker's weekly benefit amount (instead of two benefit checks), in a benefit year. Both California and Illinois provided for notifying employers of rate determinations, subject to right of review, and Illinois extended the date for report on experience-rating study to the sixty-third (instead of sixty-second) legislature.

Benefits.—Benefit provisions were amended in only one State, Illinois. Effective April 1, 1942, this State increased the maximum weekly benefit amount from \$16 to \$18, provided for rounding benefits to the next higher 50 cents (instead of \$1), and established a table of maximum total benefits, with a maximum benefit duration of 20 weeks (instead of 16 times the weekly benefit amount or ¼ of base-period wages). Illinois provided also that partial benefits shall be reduced by ¼ of the weekly benefit amount for each normal workday during which the individual is unable to work or is unavailable for work, and that an eligible individual unemployed for 6 or less consecutive days shall be paid benefits equal to ¼ of his weekly benefit amount for each such day, less any wages payable during such period.

Waiting period.—Illinois reduced the waiting period from 2 weeks to 1 week.

Disqualifications.—Illinois changed the disqualification period for voluntary leaving, discharge for misconduct, and refusal of suitable work from a maximum of 5 weeks to 3-7 weeks in addition to the week of separation; provided cancelation of all prior wage credits for forgery, larceny, or embezzle-

ment connected with work; and added disqualification for receipt of workmen's compensation.

Administration.—Illinois amended provisions relating to benefit claims and appeals. California, the District of Columbia, Illinois, and Massachusetts adopted provisions for safeguarding the administration funds, including a provision that such monies shall be expended solely for the pur-

poses and in amounts found necessary by the Social Security Board, and a provision requiring the replacement of lost or improperly expended administration funds.

Preserving benefit rights of persons in military service.—California and Illinois adopted provisions to protect the benefit rights of persons in the military service.

Railroad Unemployment Insurance*

In the 4 weeks ended June 27, 1941, the regional offices of the Railroad Retirement Board received 29,136 unemployment insurance claims (table 1). The weekly average of only 7,284 represents a decline of almost 4,900 from the low figure for May. The number of claims dropped rapidly during the month, from 9,414 in the first week to 5,962 in the last. Claim receipts in the last 2 weeks indicate that the average number of unemployed workers registering under the act in the first half of June was about 12,300, not much more than one-third of the average number registered in the corresponding period of 1940. The decline in unemployment since February is due to the rise in railroad and other employment. According to the compilation of the Interstate

Commerce Commission, employment in class I railroads increased 31,400 from the middle of May to the middle of June. Much of this rise occurred in maintenance-of-way employment, which is now reaching its seasonal peak, but there were also significant increases of 6,600 in the shops and of 5,200 in the train-and-engine service.

The number of applications for certificate of benefit rights received in June was nearly as low as in May. In the 4 weeks ended June 27, receipts totaled 2,287, an average of 572 per week. The small number reflects not only the low level of unemployment but also the fact that June was the twelfth and last month of the year in which applications based on 1939 wages could be submitted. The total of such applications received from July 1, 1940, through June 30, 1941, was 181,157. Certificates of benefit rights were issued to 177,214 qualified applicants, and 3,553

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 1.—Railroad unemployment insurance: Applications for certificate of benefit rights and claims received, and benefit payments certified, by specified period, 1939-41¹

Period	1940-41				1939-40			
	Applica- tions	Claims	Benefit payments		Applica- tions	Claims	Benefit payments	
			Number	Amount			Number	Amount
Middle of November-June.....	79,065	815,425	\$ 714,958	\$13,509,209	81,591	952,195	720,383	\$10,643,793
June.....	2,287	29,136	24,218	450,945	2,259	83,027	61,853	857,913
1st week.....	428	9,414	7,994	146,904	904	25,063	18,638	278,148
2d week.....	379	7,426	6,034	110,141	674	22,066	17,551	218,945
3d week.....	937	6,334	5,353	101,762	554	18,214	13,869	194,379
4th week.....	543	5,962	4,857	92,138	127	17,414	11,795	166,441
Weekly average:								
Middle of November-December.....	6,324	32,306	23,802	435,043	5,058	27,498	18,127	275,573
January.....	2,885	39,752	39,362	754,649	3,499	37,058	28,009	421,824
February.....	1,464	33,325	31,451	614,283	2,280	34,489	27,950	422,007
March.....	931	29,255	27,760	539,420	1,603	35,082	28,833	428,538
April.....	1,850	20,559	18,087	329,462	1,915	30,612	24,297	354,781
May.....	535	12,181	10,105	185,037	1,208	24,130	17,687	247,772
June.....	572	7,284	6,055	112,736	564	20,907	15,387	213,432

¹ Data begin as of middle of November, because Nov. 16, 1940, was first day for processing claims under amended act.

² Net figures, corrected for underpayments and recovery of overpayments through end of June.

³ Revised.

applications were held ineligible because base-year wages were less than \$150. The remaining 390 applications were still in process of adjudication at the end of June.

The number of claims processed in the 4 June weeks was 32,014. The excess over receipts is accounted for, in part, by a reduction in the number awaiting processing from about 2,060 at the beginning of the month to about 1,710 at the end. Included in the claims processed in June were 2,522 claims adjudicated a second time. Most of these were previously classified as not compensable because of the failure of the claimant to submit the application for employment required for registration with the Board's employment offices.

Of the total processed in the June period, 24,218 claims were certified for benefit payment; 1,629 carried waiting-period credit also (table 3). A total of 103 claims for registration periods with exactly 7 days of unemployment were certified for waiting-period credit only. The number of claims certified in June declined in about the same proportion as claim receipts. The decline in waiting-period certifications was somewhat greater than for other certifications, because June is the last month of the benefit year and the great majority of the workers unemployed in June served their waiting period in the preceding 11 months. Of the remainder, 3,570 claims could not be certified because they did not contain registrations for sufficient days of unemployment. In June these claims constituted about the same high proportion of the total claims processed as in May; in both of these months the decline in unemployment was reflected not only in a small number of claims but also in the small number of days of unemployment registered per claim. A total of 4,072 claims could not be certified for other reasons, the most important of which was the failure of the claimant to submit his application for employment.

In June more than \$450,000 was certified in benefits; of this amount only \$675 was certified under the provisions of the unamended law. Benefits for waiting-period claims amounted to more than \$25,700, an average of \$15.81 for a registration period with a maximum of 7 compensable days. For claims with a maximum of 10 compensable days, benefits totaled about \$424,500, an average of \$18.82 per registration period. In both cases the average benefit per certification was substantially the same as in May.

In the 4 June weeks 1,873 workers received their first benefits under the amended act, bringing the total number of beneficiaries under the amended act to 127,190. In the same period, 1,835 final certifications were made to claimants because of the exhaustion of benefit rights. These claimants had received 100 daily benefit amounts for unemployment between July 1940 and June 1941. As of June 27, the total number of exhaustions for the benefit year ended June 30, 1941, was 24,266.

The number of benefit certifications and the

Table 2.—Railroad unemployment insurance: Number and amount of benefit payments certified, by State of residence of beneficiary, June 29, 1940–June 27, 1941¹

State	Total		Certified under original act		Certified under amended act	
	Number	Amount	Number	Amount	Number	Amount
Total.....	999,809	\$17,703,422	298,945	\$4,317,901	705,864	\$13,385,521
Ala.....	13,050	217,273	5,635	78,885	7,415	138,388
Ariz.....	3,174	56,152	1,613	25,573	1,561	30,579
Ark.....	21,531	370,418	7,289	110,135	14,242	260,283
Calif.....	38,604	755,158	11,828	196,678	26,776	559,480
Colo.....	23,425	415,742	4,614	64,309	18,811	351,433
Conn.....	2,826	49,085	1,034	15,353	1,792	33,732
Del.....	3,035	57,365	1,795	31,314	1,240	26,051
D. C.....	1,831	30,887	952	14,476	879	16,411
Fla.....	17,627	284,848	11,412	171,076	6,215	113,772
Ga.....	16,775	277,651	8,010	119,228	8,765	158,423
Idaho.....	6,321	114,424	899	13,420	5,422	101,004
Ill.....	93,898	1,701,888	27,827	417,501	66,071	1,284,387
Ind.....	28,741	500,131	9,931	142,092	18,810	358,039
Iowa.....	35,882	649,102	6,054	85,086	29,828	564,016
Kans.....	27,150	463,900	6,086	85,876	21,064	378,114
Ky.....	23,448	394,019	7,172	101,315	16,276	292,704
La.....	19,204	306,856	7,105	89,292	12,099	217,564
Maine.....	9,275	155,714	2,402	35,278	6,873	121,436
Md.....	5,574	89,400	2,487	33,303	3,087	56,157
Mass.....	10,759	180,905	4,966	75,014	5,793	105,891
Mich.....	20,963	383,318	5,445	80,508	15,518	302,810
Minn.....	46,890	892,553	6,073	91,026	40,817	801,527
Miss.....	14,300	253,030	5,459	81,473	8,841	171,557
Mo.....	49,172	867,079	15,739	239,496	33,433	627,583
Mont.....	10,778	198,995	1,235	20,923	9,543	178,072
Nebr.....	24,724	428,766	4,634	65,019	20,090	363,747
Nev.....	2,519	52,369	411	6,501	2,108	45,868
N. H.....	1,384	24,846	305	4,581	1,079	20,265
N. J.....	15,011	273,541	5,272	78,693	9,739	194,848
N. Mex.....	9,626	168,939	3,336	51,655	6,290	117,284
N. Y.....	79,225	1,439,525	24,477	382,810	54,748	1,056,715
N. C.....	8,813	152,696	4,069	60,840	4,744	91,856
N. Dak.....	13,336	238,801	1,187	15,763	12,149	223,038
Ohio.....	48,845	868,915	11,859	165,370	36,986	703,545
Okl.....	15,008	269,640	4,837	73,334	10,171	196,306
Oreg.....	6,527	128,830	1,025	15,996	5,502	112,834
Pa.....	62,009	1,013,090	21,022	275,055	40,987	738,035
R. I.....	1,401	23,533	487	6,879	914	16,654
S. C.....	6,735	112,743	2,854	40,589	3,881	72,154
S. Dak.....	7,645	140,146	923	12,446	6,722	127,700
Tenn.....	16,181	271,523	6,030	84,908	10,151	186,615
Tex.....	45,167	753,401	18,917	278,937	26,250	474,464
Utah.....	9,611	175,720	2,020	30,178	7,591	145,542
Vt.....	2,075	36,514	433	6,291	1,642	30,223
Va.....	9,106	158,629	3,790	54,997	5,316	103,632
Wash.....	16,387	301,308	2,471	37,493	13,916	263,815
W. Va.....	12,863	220,411	3,597	50,798	8,966	169,613
Wis.....	34,336	651,286	5,390	82,139	28,946	569,147
Wyo.....	5,232	93,095	774	9,879	4,458	83,216
Other ²	2,410	38,112	743	9,130	1,667	28,983

¹ Based on 20-percent sample of certifications.

² Net figures, corrected for underpayments and recovery of overpayments.

³ Outside continental United States.

amount of benefits in the 12 months, July 1940-June 1941, are shown by State of residence of beneficiary in table 2. Separate figures are presented for certifications under the act prior to and subsequent to the amendments which became effective in November 1940.

Employment Service

The Board's employment service continued operating at a high level in June in an effort to supply the employers' continuing demand for labor, particularly track labor. In the 4 weeks ended June 27, the employment offices were notified of 4,217 openings, of which 165 were with

nonrailroad employers. In the same month 1,650 openings were canceled. A total of 5,625 qualified workers were referred to available vacancies and 2,164 were placed. About three-fourths of the workers placed were track laborers, and nearly one-half of the remainder were waiters and cooks who shift for the summer from carriers serving Florida to the North. In several regions, where the Board's employment offices had an insufficient number of unemployed registrants, it called for the assistance of the Federal-State employment service; 324 placements were made with their help. The weekly average of placements in June was 541, about the same as in May.

Table 3.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days, under amended act, by specified period, November 1940-June 1941¹

Type of certification and period	All certifications				Certifications with 14 days of unemployment		Certifications with 8-13 days of unemployment			Certifications with 5-7 days of unemployment		
	Number	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Percent of all certifications	Average daily benefit	Average number of compensable days	Percent of all certifications	Average daily benefit	Average number of compensable days
Certifications for first registration period: ²												
Nov. 16, 1940-Jan. 3, 1941	43,995	\$14.06	\$2.36	5.96	66.8	\$2.35	33.2	\$2.41	3.91	-----	-----	-----
Jan. 4-31	22,064	14.47	2.60	5.58	58.6	2.55	41.4	2.71	3.59	-----	-----	-----
Feb. 1-28	8,533	13.93	2.47	5.65	59.3	2.47	40.7	2.47	3.69	-----	-----	-----
Mar. 1-28	4,840	14.65	2.57	5.70	61.4	2.54	38.6	2.63	3.65	-----	-----	-----
Mar. 29-May 2	6,632	17.24	2.90	5.95	66.4	2.87	33.6	3.01	3.88	-----	-----	-----
May 3-30	3,996	15.65	2.93	5.34	52.0	2.87	48.0	3.07	3.53	-----	-----	-----
May 31-June 27	1,629	15.81	2.81	5.63	62.9	2.82	37.1	2.77	3.30	-----	-----	-----
Certifications for subsequent registration periods: ²												
Nov. 16, 1940-Jan. 3, 1941	112,374	20.26	2.33	8.72	69.4	2.32	24.1	2.34	6.85	6.5	\$2.55	2.03
Jan. 4-31	134,886	19.06	2.31	8.65	67.5	2.30	25.8	2.35	6.81	6.7	2.46	2.04
Feb. 1-28	117,044	19.95	2.31	8.63	67.8	2.31	24.8	2.33	6.84	7.4	2.42	2.05
Mar. 1-28	106,109	19.65	2.31	8.51	65.6	2.31	26.5	2.31	6.72	7.9	2.44	2.02
Mar. 29-May 2	83,677	18.31	2.36	7.75	52.8	2.37	32.8	2.35	6.55	14.4	2.18	2.33
May 3-30	36,389	18.61	2.52	7.40	45.7	2.50	38.5	2.56	6.47	15.8	2.51	2.14
May 31-June 27	22,554	18.82	2.55	7.39	4.1	2.59	36.0	2.47	6.41	16.9	2.53	2.17

¹ Data based on 20-percent sample, except number of certifications and average benefit per certification.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

Operations Under the Social Security Act

Employee Accounts Established and Employer Identification Numbers Assigned

The weekly average of employee accounts established in June exceeded 200,000 (table 2), an increase of 67 percent from May. This number is the highest since the initial registration in 1937 and reflects increased employment opportunities resulting from the defense program and also the entrance of students into the labor market at the close of school.

The weekly average of employer identification numbers assigned in June was 8,454, 15 percent higher than that of the previous month.

Employers, Employees, and Taxable Wages

The average taxable wage per employee during the first quarter of 1941 was \$306 (table 1), the highest yet reported for workers in covered employment. These earnings reflect increased wage rates, as well as steadier employment and overtime work made necessary by defense activity.

Table 1.—Number of employers and employees and amount of taxable wages included under the old-age and survivors insurance program, by specified period, 1937-41¹

[Corrected to July 25, 1941]

Year and quarter	Number of employers reporting taxable wages ² (in thousands)	Number of employees earning taxable wages		Amount of taxable wages	
		On last day or pay roll of quarter (in thousands)	Total during period (in thousands)	Total (in millions)	Average per employee
1937.....	(³)	.....	32,800	\$29,300	\$893
1938.....	(³)	.....	31,200	26,200	840
January-March.....	1,740	23,000	25,100	6,447	257
April-June.....	1,783	23,000	25,200	6,523	259
July-September.....	1,813	23,800	25,900	6,505	251
October-December.....	1,833	23,600	26,500	6,725	254
1939.....	(³)	.....	33,100	29,200	882
January-March.....	1,826	24,500	25,400	7,040	277
April-June.....	1,891	25,300	26,700	7,221	270
July-September.....	1,933	26,100	27,400	7,497	274
October-December.....	1,970	25,700	28,400	7,442	262
1940.....	(³)	.....	35,000	32,900	940
January-March.....	1,964	26,300	27,400	8,041	293
April-June.....	2,041	27,200	28,300	8,212	290
July-September.....	2,080	28,500	29,700	8,120	273
October-December.....	2,107	28,000	31,500	8,527	271
1941: January-March.....	2,119	29,300	31,300	9,579	306

¹ Data partly estimated and subject to revision.

² Number of employers corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

³ Data not available.

Similarly, the number of employers reporting taxable wages, the number of employees working on

Table 2.—Weekly average of employee accounts established and employer identification numbers assigned, by State, June 1941¹

Social Security Board region and State	Employee accounts		Employer identification numbers	
	Average number	Percentage distribution	Average number	Percentage distribution
Total.....	200,352	100.0	8,454	100.0
Region I:				
Connecticut.....	3,769	1.9	164	2.0
Maine.....	1,370	.7	52	.6
Massachusetts.....	5,649	2.8	197	2.3
New Hampshire.....	805	.4	25	.3
Rhode Island.....	1,375	.7	51	.6
Vermont.....	413	.2	20	.2
Region II:				
New York.....	18,097	9.0	1,140	13.5
Region III:				
Delaware.....	455	.2	14	.2
New Jersey.....	7,518	3.8	357	4.2
Pennsylvania.....	17,145	8.6	509	6.0
Region IV:				
District of Columbia.....	1,305	.7	28	.3
Maryland.....	2,099	1.3	74	.9
North Carolina.....	4,504	2.2	51	.6
Virginia.....	4,116	2.1	131	1.6
West Virginia.....	3,046	1.5	103	1.2
Region V:				
Kentucky.....	3,556	1.8	76	.9
Michigan.....	7,662	3.8	342	4.0
Ohio.....	13,466	6.7	363	4.3
Region VI:				
Illinois.....	15,313	7.6	439	5.2
Indiana.....	5,624	2.8	452	5.7
Wisconsin.....	4,956	2.5	175	2.1
Region VII:				
Alabama.....	4,365	2.2	95	1.1
Florida.....	2,602	1.3	193	2.3
Georgia.....	4,664	2.4	97	1.1
Mississippi.....	2,234	1.1	107	1.3
South Carolina.....	2,659	1.3	61	.7
Tennessee.....	4,628	2.3	102	1.2
Region VIII:				
Iowa.....	3,185	1.6	212	2.5
Minnesota.....	3,610	1.8	93	1.1
Nebraska.....	1,654	.8	101	1.2
North Dakota.....	549	.3	24	.3
South Dakota.....	584	.3	38	.4
Region IX:				
Arkansas.....	2,209	1.1	77	.9
Kansas.....	2,512	1.3	115	1.4
Missouri.....	6,515	3.2	269	3.2
Oklahoma.....	2,409	1.2	140	1.7
Region X:				
Louisiana.....	3,291	1.7	86	1.0
New Mexico.....	849	.4	32	.4
Texas.....	10,060	5.0	544	6.4
Region XI:				
Arizona.....	656	.3	74	.9
Colorado.....	1,849	.9	64	.8
Idaho.....	601	.3	53	.6
Montana.....	686	.3	49	.6
Utah.....	922	.5	30	.4
Wyoming.....	370	.2	32	.4
Region XII:				
California.....	8,693	4.4	715	8.4
Nevada.....	212	.1	18	.2
Oregon.....	2,214	1.1	106	1.3
Washington.....	2,252	1.1	118	1.4
Territories:				
Alaska.....	85	(²)	4	(²)
Hawaii.....	390	.2	12	.1

¹ The data on employee accounts established and employer identification numbers assigned, while representing somewhat similar administrative operations, are not necessarily related from an economic viewpoint.

² Less than 0.05 percent.

Table 3.—Number and amount of monthly benefits in force¹ in each payment status² and actions effected during the month, by type of benefit, June 1941

[Corrected to July 15, 1941]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of May 31, 1941.....	354,297	\$6,489,834	176,701	\$4,007,290	47,066	\$569,865	86,413	\$1,052,840	8,896	\$180,677	33,840	\$661,345	1,373	\$17,817
In current-payment status.....	320,528	5,811,714	153,969	3,484,609	42,377	513,078	83,364	1,018,248	8,755	177,424	30,707	600,755	1,356	17,600
In deferred-payment status.....	3,152	67,400	2,411	57,114	406	5,014	171	1,801	95	2,272	62	1,113	7	86
In conditional-payment status.....	30,617	610,720	20,321	465,567	4,283	51,773	2,878	32,791	45	961	3,080	59,477	10	131
Actions during June 1941:														
Benefits awarded.....	20,581	369,573	8,743	200,609	2,703	32,893	5,817	71,267	852	17,191	2,401	46,786	65	827
Entitlements terminated ³	2,543	45,014	893	20,839	409	5,064	808	10,427	37	716	392	7,916	4	52
Net adjustments ⁴	4	771	-6	178	5	84	6	336	-1	-11	3	226	-3	-42
In force as of June 30, 1941.....	372,339	6,815,164	184,545	4,187,238	49,365	597,778	91,428	1,114,016	9,709	197,141	35,861	700,441	1,431	18,580
In current-payment status.....	336,240	6,095,575	160,401	3,635,737	44,320	537,140	88,091	1,076,136	9,567	193,834	32,444	634,351	1,417	18,377
In deferred-payment status.....	3,019	63,920	2,350	54,675	375	4,609	149	1,486	100	2,398	38	691	7	91
In conditional-payment status.....	33,080	655,669	21,794	496,826	4,670	56,029	3,188	36,424	42	909	3,379	65,399	7	82

¹ Represents total benefits awarded, after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940, when monthly benefits were first payable.

² Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

³ Terminations may be for following reasons: primary benefit—beneficiary's death; wife's benefit—beneficiary's death, death of husband, divorce, or entitlement of beneficiary to equal or larger primary benefit; child's benefit—

beneficiary's death, marriage, adoption, or attainment of age 18; widow's benefit—beneficiary's death, remarriage, or entitlement to equal or larger primary benefit; widow's current benefit—beneficiary's death, remarriage, entitlement to widow's benefit or to equal or larger primary benefit, or termination of entitlement of last entitled child; parent's benefit—beneficiary's death, marriage, or entitlement to other equal or larger monthly benefit.

⁴ Adjustments in amount of monthly benefit may result from entitlement of an additional beneficiary or termination of entitlement of an existing beneficiary when maximum provisions of sec. 203 (a) are effective or from termination of entitlement of an existing beneficiary when minimum provision of sec. 203 (b) consequently becomes effective; adjustments in number or amount may also result from actions not otherwise classified.

the last day or last pay roll of the period, and the total amount of taxable wages received by these employees exceeded any previous quarter. A slight seasonal decline from the last quarter of 1940 occurred only in the total number of employees during the period.

Monthly Benefits in Force and Payments Certified, June 1941

A net increase during June of 18,042 monthly benefits of all types brought the total in force as of June 30 to 372,339 (table 3). Almost half of this total were primary benefits, though the proportion of primary benefits in force continued

Table 4.—Average amount of monthly benefits in force, by type of benefit and payment status, June 30, 1941¹

[Corrected to July 15, 1941]

Type of benefit	Payment status		
	Current	Deferred	Conditional
Total.....	\$18.13	\$21.17	\$19.82
Primary.....	22.67	23.27	22.80
Wife's.....	12.12	12.29	12.00
Child's.....	12.22	9.77	11.43
Widow's.....	20.26	23.98	21.63
Widow's current.....	19.55	18.20	19.35
Parent's.....	12.97	12.97	11.69

¹ See footnotes to table 3.

to decrease slightly. The proportion of survivors' benefits in force has been increasing during the initial period of operation for several reasons. The most important are the large backlog of claims for primary benefits at the beginning of 1940 and the lag between the date of a worker's death and the receipt and adjudi-

Table 5.—Monthly benefits and lump-sum death payments certified, by type of payment, June 1941

Type of payment	Number of beneficiaries ¹	Amount certified	Percentage distribution	
			Beneficiaries	Amount
Monthly benefits ²	341,178	\$6,549,798	100.0	100.0
Primary.....	163,021	3,833,198	47.8	58.5
Supplementary.....	55,760	696,705	16.3	10.6
Wife's.....	45,063	570,874	13.2	8.7
Child's.....	10,697	125,831	3.1	1.9
Survivor's.....	122,397	2,019,897	35.9	30.9
Widow's.....	9,559	218,219	2.8	3.4
Widow's current.....	32,978	719,528	9.7	11.0
Child's.....	78,445	1,061,250	23.0	16.2
Parent's.....	1,415	20,900	.4	.3
Lump-sum death payments.....	7,432	1,026,202		
Under 1939 amendments ³	7,128	1,013,966		
Under 1935 act ⁴	304	12,236		

¹ Differs from number in current-payment status, which takes account of changes in status effective after certification.

² Distribution by type of benefit partly estimated.

³ Includes retroactive payments.

⁴ Represents number of deceased workers on whose wages payments were based.

⁵ Payable with respect to workers who died after Dec. 31, 1939, in cases in which no survivor could be entitled to monthly benefits for month in which worker died.

⁶ Payable with respect to workers who died prior to Jan. 1, 1940.

cation of a resulting claim. Since deaths from which claims for survivors' benefits arose must have occurred after December 31, 1939, these benefits could not have been awarded in very considerable numbers in the early months of the year. In addition, because of improved employment conditions, the rate of current retirement is probably lower than might otherwise be expected.

The average amounts of all types of monthly benefits in force at the end of June were approximately the same as those in force at the end of May (table 4). It may be noted, however, that slight variations in average benefits in deferred

and conditional-payment status resulted from actions during the month. An increasing number of primary benefits subject to deductions for a fixed temporary period because of previous employment, together with a decreasing number of primary benefits subject to deductions because of the previous payment of a lump sum under the original act, has resulted in a diminishing average primary benefit in deferred-payment status.

The number of beneficiaries for whom monthly benefit payments were certified during June showed an increase approximating the increase during the month of such benefits in current-payment status (table 5).

Operations Under the Railroad Retirement Act *

Net benefit payments certified to the Secretary of the Treasury in June, amounting to \$10.3 million (table 1), brought the total amount certified in the fiscal year 1940-41 to \$121.8 million, 6.8 percent more than in 1939-40 (table 2). Employee annuity payments certified during 1940-41 totaled \$94.3 million, or 11.6 percent more than in the preceding fiscal year. Pension payments declined 11.1 percent, survivor annuity payments increased 17.3 percent, death-benefit annuity payments declined 11.9 percent, and lump-sum death-benefit payments increased 37.3 percent.

The continuing excess of certifications of employee annuities over terminations, at the same time that deaths decrease the number of pensioners on the pension rolls of the Board, tends to increase the relative proportion of employee annuities and to decrease the proportion of pensions in the total number and amount of benefits administered by the Board. Payments on account of employee annuities constituted 77.3 percent of all benefit payments in 1940-41 compared with 74.1 percent in the preceding fiscal year, and 70.4 percent in 1938-39. Pension payments, on the other hand, accounted for 19.0 percent of the total in the past fiscal year, declining from 22.8 percent in the preceding fiscal year and 27.0 percent in

1938-39. The gradual increase in the percentage of survivor payments of all classes from 2.6 percent in 1938-39 to 3.7 percent in 1940-41 resulted almost entirely from increases in lump-sum death-benefit payments.

Through June the Board had certified 144,697 employee annuities, 48,536 pensions, 2,954 survivor annuities, 5,631 death-benefit annuities, and 42,514 lump-sum death benefits.

New certifications of employee annuities in June, numbering 1,714, brought the total for the year to 20,642, compared with 23,402 for the year ended June 30, 1940. Retroactive payments in 1940-41 amounted to \$5.8 million, compared with \$7.3 million for the previous fiscal year. Retroactive payments have tended to decline as the number of new certifications and the interval between the annuity beginning date and certification date have decreased.

At the end of June 1941, there were 118,533 employee annuities in force with a monthly amount payable of \$7.8 million, compared with 106,078 annuities in force at the end of the previous fiscal year with a monthly amount payable of \$7.0 million. The increase of 12,455 over June 30, 1940, compared with a net addition of 15,916 between June 30, 1939, and June 30, 1940. The average monthly payment on employee annuities in force at the end of the fiscal year just past, including

*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 1.—Railroad retirement: Number and amount of annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of payment, June 1941¹

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²		Lump-sum death benefits	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of May 31, 1941.....	152,304	\$9,682,877	117,488	\$7,720,470	31,390	\$1,848,534	2,740	\$89,113	686	\$24,759	.....	.....
During June 1941:												
Initial certifications.....	1,865	111,835	1,714	106,725	0	0	43	1,259	108	3,850	.....	.....
Terminations by death (deduct).....	1,057	63,896	654	42,808	309	17,740	11	319	83	3,027	.....	.....
In force as of June 30, 1941 ¹	153,094	9,733,869	118,533	7,787,408	31,080	1,830,875	2,771	90,045	710	25,540	.....	.....
Retroactive payments.....		463,422		442,501		853		4,954		15,113		
Lump-sum death benefits.....	998	242,488									998	\$242,488
Cancellations and repayments (deduct).....		89,821		63,924		24,437		481		144		833
Total payments (net).....		10,349,958		8,165,984		1,807,291		94,518		40,508		241,655

¹ For definitions of classes of payments, see the Bulletin, July 1939, p. 7. Data based on month ended on 20th calendar day in which annuity or pension was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board rather than on month in which annuity or pension began to accrue, beneficiary died, or administrative action was effective. In-force payments as of end of month reflect administrative action through the 20th. Correction for claims certified or terminated in error or for incorrect amount is made in data for month in which error was discovered and not in which error was made. Cents omitted.

² In a few cases payments are made to more than 1 survivor on account of

death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; practically all terminations are of latter type.

³ After adjustments for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payments).

⁴ Includes \$3,048 additional payments on claims initially certified in previous months.

Table 2.—Railroad retirement: Benefit payments certified to the Secretary of the Treasury, by class of payment, fiscal years 1937–41

Period	Total	Employee annuities	Pensions to former carrier pensioners	Survivor annuities	Death-benefit annuities	Lump-sum death benefits
Amount						
Cumulative through June 1941.....	\$430, 125, 633	\$305, 593, 291	\$112, 654, 189	\$3, 195, 862	\$2, 315, 632	\$6, 368, 657
Fiscal year:						
1936–37.....	4, 514, 617	4, 409, 019	34, 701, 617	36, 751	68, 846	35, 017
1937–38.....	82, 654, 660	46, 930, 329	28, 887, 973	388, 479	599, 217	1, 520, 976
1938–39.....	107, 131, 438	75, 418, 986	25, 975, 863	787, 240	716, 261	2, 111, 866
1939–40.....	114, 025, 141	84, 529, 592	23, 088, 735	912, 895	495, 200	2, 899, 073
1940–41.....	121, 799, 776	94, 305, 364		1, 070, 495	436, 108	
Percentage distribution						
Cumulative through June 1941.....	100. 0	71. 1	26. 2	0. 7	0. 5	1. 5
Fiscal year:						
1936–37.....	100. 0	97. 7	42. 0	. 8	1. 5	(¹)
1937–38.....	100. 0	56. 8	27. 0	. 5	. 7	1. 3
1938–39.....	100. 0	70. 4	22. 8	. 7	. 4	1. 9
1939–40.....	100. 0	74. 1	19. 0	. 8	. 4	2. 4
1940–41.....	100. 0	77. 3		. 9		

¹ Less than 0.05 percent.

about 5 percent still subject to recertification, was \$65.70. It is estimated that the average will be raised by less than 50 cents when all the annuities subject to recertification have been certified on a final basis.

Total applications for employee annuities received in Washington during 1940–41 were 21,951—16.3 percent less than the 26,218 in 1939–40. The decline is attributable in large measure to the increased employment opportunities resulting from the defense program. With steady full-time employment available, retirement on an annuity becomes less desirable than is the case when unemployment or reduced earnings are in prospect. Furthermore, as the available supply of employees with seniority rights is absorbed by increasing employment, there is less pressure on older men to retire in order to make jobs for younger men on furlough or short time.

During 1940–41, death terminated 4,108 pensions, 6.6 percent less than in the preceding year. The number of deaths of pensioners tends to decline absolutely and to increase proportionately with the decrease in the number of pensioners. The number of pensions in force on June 30, 1941, was 11.6 percent less than on June 30, 1940, and the monthly amount payable was \$1.8 million, compared with \$2.1 million on June 30, 1940. The decline in the number of pensions in force between June 30, 1939, and June 30, 1940, was similarly 11.0 percent. The average pension payable on June 30, 1941, was \$58.91.

In the past fiscal year 501 new survivor annuities were certified as compared with 623 in the year preceding and 1,008 in 1938–39. This continued decrease in new certifications of survivor annuities is due principally to the restrictions placed on the election of joint and survivor annuities under the 1937 act. The number of survivor annuities in force, however, is slowly increasing. There were 2,771 at the end of June with a monthly amount payable of \$90,045, compared with 2,341 annuities in force with a monthly amount payable of \$77,595 at the end of the preceding fiscal year. The average monthly payment for the survivor annuities in force at the end of June 1941 was \$32.50.

During the year, 1,024 death-benefit annuities were certified, compared with 1,202 in the preceding year and 1,720 in 1938–39. This class of annuity is payable for 12 months to the surviving spouse or dependent next of kin of 1935 act annuitants. The decline in the number of certifications of death-benefit annuities results from both the decreasing number of employee annuities in force under the 1935 act and the increasing proportion among those annuitants who die leaving no surviving spouse or dependent next of kin entitled to a death-benefit annuity. At the end of June the number of death-benefit annuities in force was 710, compared with 725 at the end of the preceding year and with 771 at the end of June 1939. The average monthly payment for these annuities in force at the end of June 1941 was \$35.97.

In June, 998 lump-sum death benefits were initially certified at an average payment of \$239.92, compared with an average of \$218.64 for all certifications during the year. The increase resulted from the accumulation of additional creditable earnings for the period beginning January 1, 1937, on the basis of which the amount of these benefits is calculated. Lump-sum death benefits certified during 1940-41 numbered 13,172 and amounted to \$2.9 million, compared with 13,370 certified in the previous fiscal year for a total payment of \$2.1 million.

Administrative Expenses and Prior-Service Account

Administrative expenses of the retirement system during 1940-41 amounted to \$2.9 million. This amount was 2.4 percent of benefit payments for the year compared with 2.5 percent in 1939-40, 2.7 percent in 1938-39, and 3.1 percent for the entire period since the beginning of operations.

During 1940-41, \$997,000 was paid to employers for work in the collection of records of service and compensation prior to 1937. This prior-service program, for which a special fund of \$9.0 million had been set aside from the appropriation to the railroad retirement account, is to be completed in the course of 3 years.

Filing and Beginning Dates on Applications for Employee Annuities

Under the Railroad Retirement Act, employee annuities may begin not earlier than 60 days before the official filing date of the application or at any time after the filing date. From the standpoint of cost to the retirement system, this beginning date is more significant than the date on which the application is filed. The beginning date of an employee annuity can be determined with reasonable accuracy from data in the annuity application. In some cases, however, additional facts developed in the course of adjudication result in a change in the beginning date. In the discussion that follows, the beginning date refers to the apparent beginning date as indicated in the annuity application.

Between July 1, 1939, and June 30, 1941, about 38 percent of the applications had apparent beginning dates within 1 or 2 months before filing dates, 15 percent requested annuities to begin in

the month of filing, and about 40 percent, later than the month of filing (table 3). The remaining 7 percent of the applicants, individuals who were still working, either requested the earliest beginning date permitted by law or failed to designate a beginning date.

More than 55 percent of the applications for annuities at age 65 or over and 44 percent of those for annuities under age 65 were for annuities to begin after the month of filing. However, only 6.3 percent of the applications for disability annuities had a beginning date after the month of filing. More than 91 percent of applications for this type of annuity had beginning dates within the same month or within 1 to 2 months prior to the filing date. An applicant for a disability

Table 3.—Railroad retirement: Distribution of applications¹ for employee annuities by interval between filing date of application and apparent beginning date of annuity, by type of annuity, July 1939-June 1941

Beginning date of annuity	All applications	Type of annuity claimed			
		Age annuity			Disability annuity
		65 and over	60-65	Unknown	
Number					
Total.....	48,169	31,304	3,136	120	13,609
1-2 months prior to filing date.....	18,232	6,971	1,075	7	10,179
Month of filing date.....	7,111	4,432	454	0	2,225
1-2 months after filing date.....	8,678	7,456	599	1	622
3-11 months after filing date.....	8,850	7,971	659	0	220
12 or more months after filing date.....	2,037	1,890	129	0	18
Unknown.....	3,261	2,584	220	112	345
Percentage distribution					
Total.....	100.0	100.0	100.0	-----	100.0
1-2 months prior to filing date....	37.8	22.3	34.3	-----	74.9
Month of filing date.....	14.8	14.2	14.5	-----	16.3
1-2 months after filing date.....	18.0	23.8	19.1	-----	4.6
3-11 months after filing date.....	18.4	25.4	21.0	-----	1.6
12 or more months after filing date.....	4.2	6.0	4.1	-----	.1
Unknown.....	6.8	8.3	7.0	-----	2.5

¹ Excludes 60 applications filed before Jan. 1, 1940, with the Social Security Board for lump-sum payments at age 65 on the basis of service after Dec. 31, 1936, with employers subsequently held to be employers under the Railroad Retirement Act.

annuity has less choice in setting an annuity beginning date. He tends to work as long as he can, and, when he can no longer work, he obviously selects the earliest beginning date possible.

An applicant for an age annuity, on the other hand, has a relatively wider choice of possible retirement dates. He ordinarily can plan his

retirement in advance, although illness or unemployment may force him to retire sooner than he expected, in which case he takes the earliest possible beginning date. The larger percentage of retroactive applications in the case of annuities under age 65, as compared with those over age 65, is probably due to the fact that a relatively larger proportion of those who apply for the reduced annuities do so because they have become unemployed or are suffering from illness or partial disability.

Applicants tend to plan retirement at the end of a calendar year. This fact is evident from the concentration in November and December of applications with annuity beginning dates 1 to 2 months after filing date. Both in 1939-40 and in 1940-41 applications having beginning dates 1 to 2 months after filing date constituted 18 percent of all applications. The percentage was 26 in November 1940 and 25 in December 1940, but for the other 10 months of 1940-41 the percentage varied from 14 to 19.

SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

Income Payments to Individuals

In 1938 the Department of Commerce began publishing a monthly series on income payments for 1929 and thereafter as a supplement to its annual estimate of national income produced.¹ The income-payment data furnish a measure of the current flow of income to individuals. In any short period, income payments may be smaller or larger than the total national income produced. The difference is accounted for primarily by the treatment of certain types of income. Governmental disbursements in the form of direct relief and payments to veterans, and benefits under old-age and survivors insurance, railroad retirement, unemployment compensation, railroad unemployment insurance, and Federal, State, and local retirement systems are included in income payments to individuals but not in national income produced in a given year. On the other hand, contributions under the four social insurance programs listed above, as well as under the civil-service retirement system and State and local retirement systems, and the important item of business savings are included in national income produced but do not constitute income payments to individuals in the same year.²

Because the income-payment data indicate the relative importance of social insurance and social welfare payments as a source of individual income, the Bulletin has published monthly an index chart based on the estimates of the Department of Commerce, but with a grouping of items different from that in tables published in the *Survey of Current Business*. Specifically, direct relief, work relief, and bonus payments to veterans, as distinguished from pensions to veterans, were each shown separately in the chart. Pensions to veterans, industrial pensions, retirement payments to public employees, and workmen's compensation were included in the chart with compensation of employees. Social insurance benefits under the

old-age and survivors insurance, railroad retirement, railroad unemployment insurance, and State unemployment compensation programs appeared in a separate section of the chart.

Beginning with this issue, the income-payment chart varies in three respects: the data are revised, dollar amounts are presented, and different groupings are used. The Department of Commerce recently revised the income-payment figures for the entire period—January 1929 to date. Since seasonal adjustments, which had previously been computed only for the index figures, are now made in the absolute amounts of compensation of employees, entrepreneurial withdrawals, and dividends and interest, the chart is now presented on the basis of dollar amounts to facilitate comparisons between social insurance, social welfare, and total income payments.

At the same time the constituent items have been regrouped to clarify their relationships. In the revised chart, retirement payments to public employees, workmen's compensation, and Federal pensions to veterans are included with benefits under the old-age and survivors insurance, railroad retirement, railroad unemployment insurance, and State unemployment compensation systems as part of "social insurance and related payments."

The income payments included in social insurance and related payments have a number of characteristics in common. The individual's claim to the payment arises in each case out of previous rather than current employment. The benefit payments are in each case available to all members of specified groups who meet defined conditions of eligibility. All the programs under which the payments are made are either governmentally administered or established under governmental sanction. As a source of income, these payments are distinguished from wages and salaries in that in general they are not dependent on current levels of production and employment. This relationship is particularly true of the volume of retirement and disability payments. Although the rate of retirement may be very much affected

¹ See U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce, *Monthly Income Payments in the United States, 1929-40*, Economic Series No. 6, 1940.

² Logically, workmen's compensation should also be excluded from national income produced, and contributions for workmen's compensation should be excluded from income payments to individuals, but this has not been practicable on the basis of existing data.

by the status of the labor market, when a retirement system has been in operation for a number of years the total number on the rolls and the amount of payments change very slowly. While unemployment insurance payments have an inverse relation to current employment, they are like the other social insurance and related payments in not constituting part of the national income currently produced. On the other hand, these payments differ from direct and work-relief payments, in that they are not dependent on individual need and in general have a more systematic financial basis.

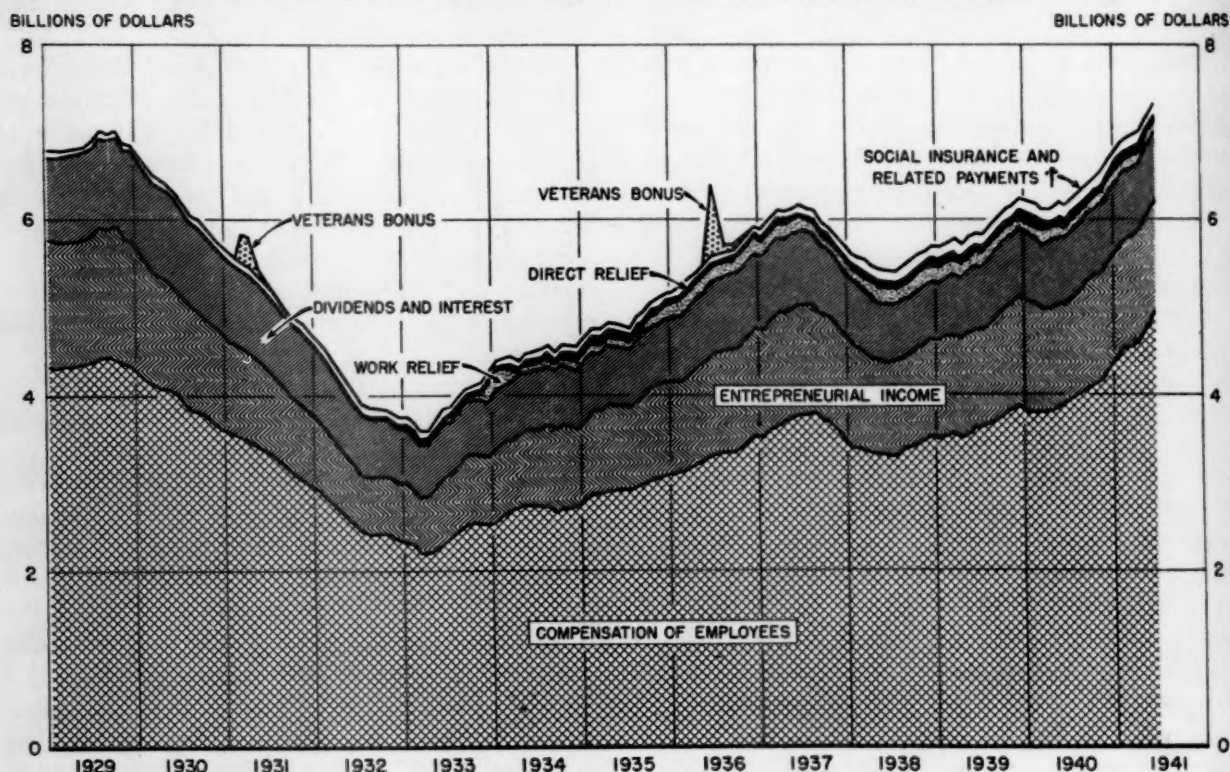
In the revised chart industrial pensions are included, as previously, with compensation of employees. Such pensions represent in most cases a combination of payments for past service and a return of individual savings. The contractual basis for the payments is seldom such as to assure a guaranteed protection to all members of the groups affected. Since the item is too small to show sep-

arately, the amounts have been included with compensation of employees.

Information regarding payments under direct and work relief, old-age and survivors insurance, civil-service retirement, railroad retirement, railroad unemployment insurance, and State unemployment compensation systems is available in other sections of the Bulletin. It is anticipated that subsequent issues will present analyses of the other programs now included under social insurance and related payments. These programs are discussed briefly below.

Since 1911, when the first workmen's compensation law was passed, such acts have become effective in all but one State. For the year 1940 the amount of workmen's compensation payments included in the estimates of income payments was approximately \$137 million. This amount and the corresponding amounts for previous years are admittedly an understatement. In the first place, they do not include workmen's compensa-

Chart 1.—Income payments in the continental United States, January 1929–June 1941¹



¹ Compensation of employees, entrepreneurial income, and dividends and interest adjusted for seasonal variation.

† Includes payments under old-age and survivors insurance, State unemployment compensation, railroad retirement, railroad unemployment insurance, workmen's compensation, Federal, State, and local retirement, and veterans' pension programs. Industrial pensions are included under compensation of employees.

Source: U. S. Department of Commerce, National Income Division.

tion to employees in three industries—communications, finance, and transportation—which cannot be separated from industrial pensions to employees in the same industries. Furthermore, the estimates do not include substantial amounts of payments for medical benefits and of payments made by self-insured employers. Revision of the estimate to take account of these items would probably give a total for 1940 of about \$250 million. This amount would still be less than half the amount paid in 1940 under State unemployment compensation laws.

Provisions for retirement payments to public employees considerably antedate the establishment of the Federal old-age and survivors insurance system. Substantial numbers of public employees, however, are not covered by any retirement system. The civil-service retirement plan, established in 1920, and the related plans for employees of the Canal Zone and the Alaska Railroad, which are also administered by the Civil Service Commission, now cover about 84 percent of the civil employees of the Federal Government. In addition, there are special contributory systems for employees of Federal reserve banks, the Foreign Service of the Department of State, the Examining Division of the Office of the Comptroller of the Currency, and the Tennessee Valley Authority. Payments during 1940 under the three acts administered by the Civil Service Commission amounted to \$71.1 million; under the other Federal contributory retirement systems, to about \$700,000. In addition, according to the Department of Commerce estimates, State and local retirement systems for teachers, policemen, firemen, and other public employees paid benefits amounting to approximately \$285 million in 1940.

The Federal Government maintains noncontributory retirement and disability systems for the personnel of the regular Army and Navy (including Marine Corps, Army and Navy Nurse Corps), commissioned officers of the Coast Guard and Lighthouse Service, of the Coast and Geodetic Survey, and of the Public Health Service, judges of the United States courts, justices of the Supreme Court, and the Hawaiian judiciary. Benefit payments to these groups amounted to \$68 million in 1940.

In addition, special types of pensions are available to veterans of past wars. Originally intended as compensation for loss of earning capacity to

veterans disabled during wartime service, or to the dependents of men killed in war service, veterans' pensions were gradually extended to include payments to needy veterans with non-service-connected disabilities and to all veterans of nineteenth century wars who have attained the age of 62 or 65 years, as well as to their survivors. Thus, currently payable veterans' pensions represent disability, retirement, and survivor benefits, payable as a result of past employment in the armed forces during wartime. The total of \$434 million paid to veterans in 1940 includes also some disability benefits to members of the regular Army and some medical care and hospitalization costs. The payments on adjusted service certificates—the so-called bonus payments, which represent retroactive payment for the period spent in military service—differ in character from the disability and retirement pensions and hence are shown separately in the chart. Such payments were of appreciable size only in 1931 and 1936.

When all the social insurance and related payments are combined, the total is small compared with salaries and wages derived from current employment. Prior to 1938, social insurance and related payments constituted less than 1.5 percent of all income payments, except in 1932 and 1933 when they were 1.8 and 1.9 percent of the substantially smaller total income payments. Veterans' pensions accounted for close to half of these payments in most of the years prior to 1938 for which the estimates are available. With the beginning of unemployment benefit payments in a large number of States and the sizable payments under the railroad retirement program in 1938, the total amount of social insurance and related payments increased almost 60 percent. The initiation of monthly benefit payments under the old-age and survivors insurance program slightly increased the total in 1940 and will lead to further substantial increases in the future. In 1940, social insurance and related payments were 2.1 percent of total income payments, while compensation of employees amounted to 63.4 percent.

Direct and work-relief payments combined were 3.5 percent of the total income payments for 1940. The amounts of direct and work-relief payments shown in table 1 differ slightly from figures compiled by the Social Security Board and presented in the Public Assistance section of the Bulletin. For the years prior to 1938 these differences result

from differences not only in the programs included but also in the methods used in classifying Federal Emergency Relief Administration payments for direct and work relief. The income-payment figure for direct relief includes the value of blue surplus-food stamps issued by the Surplus Marketing Administration under the food stamp plan. These amounts, \$2.6 million in 1939 and \$44.2

million in 1940, are not included in the assistance and earnings data on page 34. On the other hand, the income-payment figures do not include expenditures on projects financed from emergency funds and administered by Federal agencies other than the WPA, CCC, and NYA. In 1940 the amount of such expenditures was \$95.4 million, although in previous years it had been considerably higher.

Table 1.—Income payments in the continental United States, January 1929–June 1941¹

[In millions]

Year and month	Total	Compensation of employees	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief	Direct relief	Social insurance and related payments ²	Veterans' bonus
1929 total.....	\$82,374	\$52,358	\$17,332	\$11,845	\$0	\$60	\$779	\$0
January.....	6,788	4,320	1,455	944	0	5	64	0
February.....	6,777	4,308	1,450	951	0	5	63	0
March.....	6,787	4,341	1,416	961	0	5	64	0
April.....	6,796	4,336	1,423	968	0	5	64	0
May.....	6,808	4,352	1,410	976	0	5	65	0
June.....	6,832	4,360	1,420	983	0	4	65	0
July.....	6,888	4,387	1,439	992	0	5	65	0
August.....	7,005	4,423	1,805	1,007	0	5	65	0
September.....	6,979	4,432	1,465	1,012	0	5	65	0
October.....	7,000	4,412	1,500	1,016	0	5	67	0
November.....	6,859	4,354	1,418	1,016	0	5	66	0
December.....	6,855	4,333	1,431	1,019	0	6	66	0
1930 total.....	74,646	47,501	14,506	11,714	4	94	827	0
January.....	6,690	4,236	1,360	1,020	0	7	67	0
February.....	6,609	4,178	1,344	1,014	0	7	66	0
March.....	6,490	4,132	1,268	1,014	0	8	68	0
April.....	6,453	4,089	1,281	1,007	0	8	68	0
May.....	6,401	4,062	1,267	997	0	7	68	0
June.....	6,303	4,021	1,225	989	0	6	62	0
July.....	6,167	3,941	1,166	980	0	7	73	0
August.....	6,053	3,859	1,158	960	0	7	69	0
September.....	6,013	3,838	1,149	950	0	7	69	0
October.....	5,902	3,772	1,112	938	0	9	71	0
November.....	5,818	3,714	1,094	928	1	9	72	0
December.....	5,747	3,659	1,082	917	3	12	74	0
1931 total.....	63,520	39,915	11,295	10,266	59	158	920	907
January.....	5,635	3,592	1,046	906	2	14	75	0
February.....	5,589	3,568	1,032	893	3	14	74	5
March.....	5,836	3,533	1,017	886	4	14	75	307
April.....	5,826	3,490	1,009	881	4	13	77	352
May.....	5,494	3,440	994	874	6	12	76	92
June.....	5,340	3,387	958	868	6	11	71	39
July.....	5,251	3,335	931	860	7	11	82	25
August.....	5,097	3,253	889	843	4	12	77	19
September.....	4,982	3,180	861	832	4	12	76	17
October.....	4,895	3,104	858	819	5	13	79	17
November.....	4,834	3,067	858	807	6	14	79	13
December.....	4,741	2,976	842	797	8	18	79	21
1932 total.....	49,295	30,093	8,374	8,383	132	326	940	147
January.....	4,671	2,953	810	784	11	17	77	19
February.....	4,552	2,861	803	765	12	21	78	12
March.....	4,428	2,789	760	751	14	25	79	10
April.....	4,284	2,669	731	731	10	24	79	10
May.....	4,175	2,629	709	714	10	25	79	9
June.....	4,028	2,541	669	699	9	26	75	9
July.....	3,920	2,455	647	684	9	23	81	21
August.....	3,886	2,424	649	671	10	26	80	26
September.....	3,872	2,432	652	662	10	27	78	11
October.....	3,861	2,436	645	653	11	30	78	8
November.....	3,815	2,412	651	639	12	37	78	6
December.....	3,783	2,362	648	630	14	45	78	6
1933 total.....	46,808	28,591	8,770	7,331	556	580	826	54
January.....	3,783	2,344	669	617	21	48	78	6
February.....	3,718	2,301	649	611	24	50	78	5
March.....	3,622	2,209	638	605	30	57	76	7
April.....	3,628	2,213	654	599	29	52	75	6
May.....	3,735	2,256	714	602	35	49	74	5
June.....	3,855	2,323	747	600	43	47	90	5
July.....	3,877	2,372	753	602	45	42	59	4

See footnotes at end of table.

Table 1.—Income payments in the continental United States, January 1929–June 1941¹—Continued

[In millions]

Year and month	Total	Compensation of employees	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief	Direct relief	Social insurance and related payments	Veterans' bonus
1933 total—Continued.								
August.....	\$3,969	\$2,466	\$741	\$608	\$48	\$42	\$80	\$4
September.....	4,095	2,512	820	613	45	41	61	3
October.....	4,114	2,533	812	618	45	44	59	3
November.....	4,148	2,534	792	629	79	53	58	3
December.....	4,264	2,528	781	627	212	55	58	3
1934 total.....	53,978	32,505	10,548	7,919	1,387	828	765	26
January.....	4,406	2,573	839	631	347	56	57	3
February.....	4,418	2,643	840	637	182	58	56	2
March.....	4,444	2,691	825	645	152	69	59	3
April.....	4,395	2,729	806	659	71	69	60	2
May.....	4,486	2,763	837	668	70	68	69	2
June.....	4,496	2,765	859	663	77	64	66	2
July.....	4,513	2,751	872	675	85	62	66	2
August.....	4,573	2,740	935	664	98	68	66	2
September.....	4,507	2,677	943	662	90	67	66	2
October.....	4,594	2,719	968	667	95	76	67	2
November.....	4,581	2,724	926	674	107	81	67	2
December.....	4,563	2,730	898	675	104	90	66	2
1935 total.....	58,728	35,493	11,919	8,034	1,329	1,009	835	19
January.....	4,695	2,827	912	673	117	98	66	2
February.....	4,763	2,886	932	655	106	94	68	2
March.....	4,771	2,899	946	652	102	102	68	2
April.....	4,835	2,923	984	653	102	102	69	2
May.....	4,837	2,929	970	661	109	97	69	2
June.....	4,814	2,940	949	666	100	89	69	2
July.....	4,787	2,934	924	669	101	88	69	2
August.....	4,908	2,972	1,009	668	98	91	69	1
September.....	4,963	3,006	1,033	671	90	89	73	1
October.....	5,066	3,037	1,073	685	104	94	72	1
November.....	5,112	3,055	1,086	687	127	84	72	1
December.....	5,177	3,085	1,081	695	173	71	71	1
1936 total.....	68,114	39,771	13,533	9,700	2,155	672	856	1,427
January.....	5,197	3,129	1,035	713	185	62	72	1
February.....	5,240	3,147	1,029	739	190	62	72	1
March.....	5,330	3,174	1,057	768	197	61	72	1
April.....	5,416	3,227	1,086	790	186	56	71	0
May.....	5,491	3,277	1,109	803	180	51	71	0
June.....	5,381	3,319	1,151	817	173	50	71	800
July.....	5,030	3,246	1,148	836	167	49	71	413
August.....	5,725	3,362	1,153	843	169	50	71	77
September.....	5,716	3,365	1,155	853	171	53	71	48
October.....	5,773	3,414	1,173	847	181	55	68	35
November.....	5,853	3,473	1,194	848	184	58	72	25
December.....	5,962	3,539	1,243	843	172	65	74	26
1937 total.....	72,213	44,344	14,586	9,762	1,639	837	917	128
January.....	5,918	3,537	1,216	845	160	71	71	18
February.....	6,006	3,613	1,225	850	161	72	72	13
March.....	6,123	3,675	1,282	847	158	75	73	13
April.....	6,106	3,719	1,231	846	156	71	73	10
May.....	6,130	3,769	1,220	841	153	66	74	7
June.....	6,178	3,791	1,246	841	145	63	74	18
July.....	6,151	3,800	1,236	837	126	61	77	12
August.....	6,116	3,821	1,227	803	113	65	78	9
September.....	5,991	3,750	1,198	777	111	67	80	8
October.....	5,941	3,722	1,181	767	115	68	80	8
November.....	5,826	3,623	1,165	759	119	73	81	6
December.....	5,727	3,524	1,159	749	122	83	84	6
1938 total.....	66,584	40,833	13,139	8,026	2,094	1,008	1,426	58
January.....	5,636	3,416	1,171	745	124	89	85	6
February.....	5,592	3,404	1,131	725	134	90	108	5
March.....	5,560	3,370	1,111	705	149	91	128	5
April.....	5,493	3,345	1,087	687	162	85	122	5
May.....	5,445	3,328	1,066	670	173	81	123	4
June.....	5,439	3,315	1,071	657	183	80	125	5
July.....	5,431	3,329	1,067	646	179	80	125	5
August.....	5,484	3,388	1,045	641	192	80	129	4
September.....	5,535	3,419	1,074	636	193	80	123	4
October.....	5,614	3,455	1,114	636	202	80	116	3
November.....	5,653	3,507	1,102	638	204	83	114	3
December.....	5,702	3,557	1,100	640	199	89	114	3

See footnotes at end of table.

Table 1.—Income payments in the continental United States, January 1929-June 1941¹—Continued

[In millions]

Year and month	Total	Compensation of employees	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief	Direct relief	Social insurance and related payments ²	Veterans' bonus
1939 total.....	\$71,016	\$44,058	\$13,831	\$8,648	\$1,870	\$1,070	\$1,505	\$34
January.....	5,697	3,527	1,129	642	188	92	116	3
February.....	5,734	3,549	1,122	663	182	94	122	2
March.....	5,799	3,560	1,139	677	188	95	137	3
April.....	5,728	3,529	1,114	691	179	90	122	3
May.....	5,819	3,575	1,146	705	175	87	129	2
June.....	5,874	3,661	1,106	719	165	86	132	5
July.....	5,846	3,658	1,095	735	144	85	126	3
August.....	5,957	3,704	1,140	753	135	87	135	3
September.....	6,029	3,737	1,202	759	115	88	125	3
October.....	6,115	3,815	1,199	764	128	88	118	3
November.....	6,168	3,853	1,206	766	133	88	120	2
December.....	6,250	3,890	1,233	774	138	90	123	2
1940 total.....	75,706	47,847	14,384	9,085	1,877	1,096	1,688	29
January.....	6,216	3,838	1,249	760	138	95	134	2
February.....	6,191	3,824	1,235	753	144	95	138	2
March.....	6,124	3,825	1,160	748	152	95	142	2
April.....	6,131	3,830	1,177	743	147	93	139	2
May.....	6,182	3,891	1,160	746	141	91	151	2
June.....	6,174	3,931	1,125	751	124	88	151	4
July.....	6,246	3,980	1,147	755	119	89	153	3
August.....	6,335	4,028	1,180	762	121	90	150	4
September.....	6,405	4,081	1,219	765	115	87	136	2
October.....	6,487	4,135	1,229	771	127	90	133	2
November.....	6,534	4,179	1,245	768	121	90	129	2
December.....	6,681	4,305	1,258	763	128	93	132	2
1941								
January.....	6,816	4,416	1,263	765	131	96	143	2
February.....	6,909	4,538	1,243	768	125	96	138	1
March.....	6,952	4,558	1,260	771	126	96	140	1
April.....	6,995	4,601	1,269	775	121	95	133	1
May.....	7,197	4,778	1,298	777	111	95	137	1
June.....	7,332	4,910	1,304	785	104	94	134	1

¹ Compensation of employees, entrepreneurial income, net rents, and royalties, and dividends and interest adjusted for seasonal variation.

² Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad

unemployment insurance. Industrial pensions are included under compensation of employees.

Source: U. S. Department of Commerce, National Income Division.

Payments Under Selected Social Insurance and Related Programs

Benefit payments in June under the social insurance and related programs included in this series aggregated \$55.3 million, 2.0 percent less than in May (table 1 and chart 1). The greatest decrease was in unemployment benefits; under State unemployment compensation laws benefits declined 3.3 percent to \$30.5 million; under the special system for railroad workers, 43.8 percent to less than half a million. Total payments under the retirement systems increased 1.1 percent to almost \$24 million. Railroad retirement payments of \$10.4 million represented a decrease of 1.5 percent. Payments under the old-age and survivors insurance program of the Social Security Act increased 2.5 percent to \$7.6 million; under the three retirement acts administered by the Civil Service Commission, payments increased 3.7 percent to \$6.4 million.

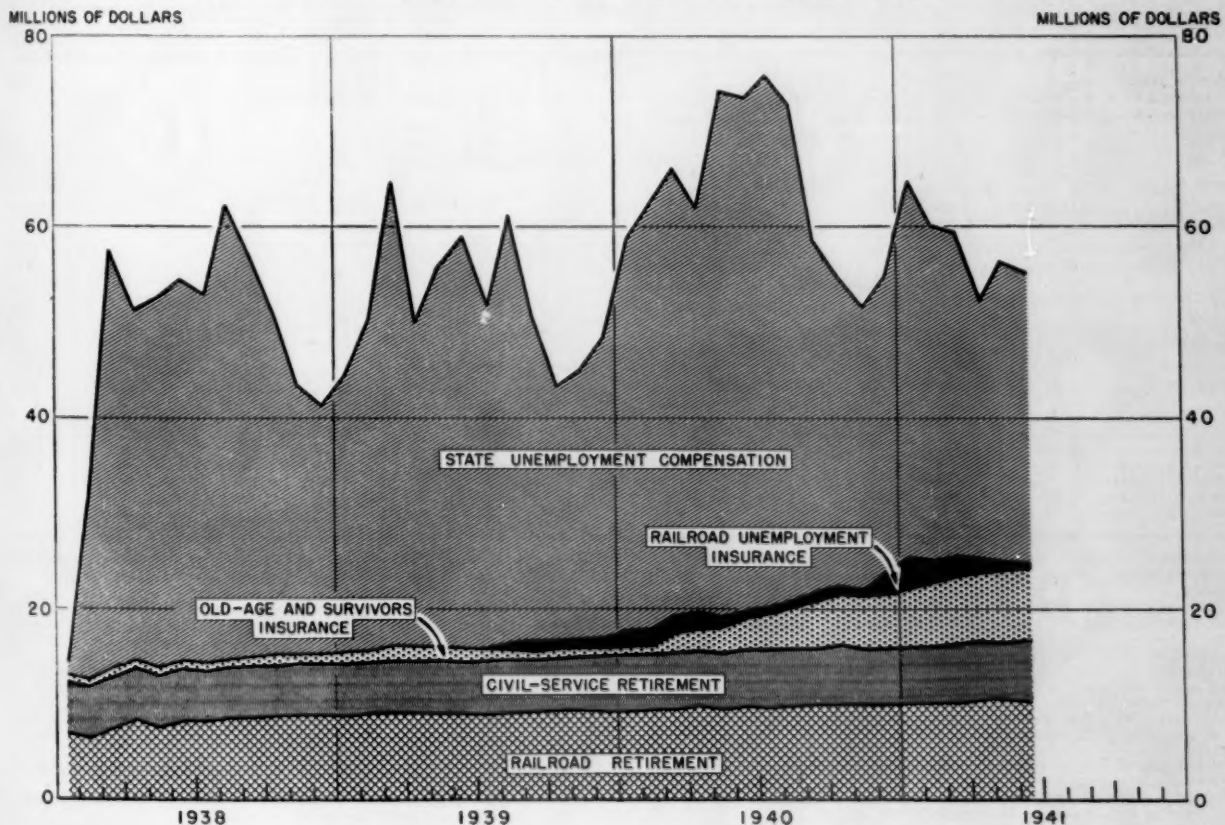
The month's payments reflect reductions arising

from the shorter-than-average working month (with five Sundays) and the general improvement in employment resulting from the defense program. The latter is reflected not only in the decrease in unemployment compensation but probably also in smaller increases¹ than would otherwise have occurred in retirement payments, as a result both of delayed retirements and of suspension of benefits when retired workers return to covered employment.

Monthly retirement payments under the Social Security Act were made in June to 163,000 retired workers and to 45,000 aged wives and 10,700 children of annuitants under 18 years of age. Under the survivors insurance provisions of the act, payments were made to more than 78,000

¹ The slight decrease in payments to retired railroad workers resulted from a decrease in retroactive payments; the amount of in-force payments increased. See p. 67, table 1.

Chart 1.—Payments under selected social insurance and retirement programs, January 1938–June 1941



children of deceased workers and 33,000 mothers of such children, to 9,600 widows aged 65 and over, and to 1,400 aged dependent parents. The proportion of primary beneficiaries has been decreasing and in June represented less than 48 percent of all beneficiaries. Supplementary beneficiaries constituted 16 percent and survivor beneficiaries, 36 percent. However, since the amount of the supplementary and survivor benefits are only fractions of the primary benefit amount on which they are based, primary benefits were 59 percent of the total amount certified in June.

Employee annuitants and pensioners under the Railroad Retirement Act increased to 150,000 in

June, and annuitants under the three acts administered by the Civil Service Commission, to 67,000 (table 2). Under these acts no supplementary benefits are payable to the families of the retired workers. Under the Railroad Retirement Act, 3,400 survivors were receiving monthly benefits, principally under the provisions whereby an annuitant elects a lower benefit during his lifetime in order to provide an annuity for his widow.

The short-term beneficiaries of the unemployment insurance acts remain the largest group of beneficiaries under the selected programs. In the 4 weeks ended in June, the average weekly number of beneficiaries under the State unemployment

Table 1.—Payments under selected social insurance and retirement programs, by specified period, 1936-41¹

(In thousands)

Year and month	Total	Retirement and survivor payments									Refunds under the Civil Service Commission to employees leaving service ⁵	Unemployment insurance payments			
		Total	Monthly retirement payments ²			Survivor payments ⁶						Total	State unemployment compensation laws ⁷	Railroad Unemployment Insurance Act ¹⁰	
			Social Security Act ¹	Rail-road Retirement Act ⁴	Civil Service Commission ³	Monthly pay-ments		Lump-sum payments							
						Social Security Act ⁷	Rail-road Retirement Act ⁴	Social Security Act ⁸	Rail-road Retirement Act ⁴	Civil Service Commission ⁹					
Calendar year:															
1936	\$59,372	\$56,377	-----	\$683	\$51,630	-----	\$2	-----	-----	\$4,062	\$2,864	\$131	\$131	-----	-----
1937	105,429	99,818	-----	40,001	53,694	-----	444	\$1,278	-----	4,401	3,479	2,132	2,132	-----	-----
1938	599,367	169,640	-----	96,749	56,118	-----	1,400	10,478	\$291	4,604	3,326	396,401	396,401	-----	-----
1939	626,270	187,837	-----	107,282	58,331	-----	1,451	13,895	1,926	4,952	2,846	435,587	429,820	\$5,767	-----
1940	765,809	226,533	\$21,242	114,167	62,019	\$7,617	1,448	11,734	2,496	5,810	3,277	535,999	520,110	15,885	-----
1940															
January	58,949	15,866	76	9,141	5,001	0	113	916	164	455	197	42,886	41,066	1,820	-----
February	62,395	16,050	216	9,300	5,019	35	114	743	198	425	197	46,148	44,351	1,797	-----
March	66,428	17,207	736	9,310	5,057	179	114	1,071	177	563	265	48,956	47,142	1,814	-----
April	61,925	17,775	933	9,483	5,071	355	123	1,033	258	519	278	43,872	42,292	1,586	-----
May	74,202	17,855	1,216	9,386	5,137	409	124	991	222	370	276	56,071	54,897	1,175	-----
June	73,614	18,879	1,673	9,518	5,197	593	120	1,011	231	536	240	54,495	53,637	858	-----
July	75,976	19,255	2,025	9,508	5,249	687	121	973	190	502	268	56,453	55,750	705	-----
August	72,751	19,723	2,339	9,639	5,238	799	118	857	183	550	338	52,690	51,701	989	-----
September	58,366	20,472	2,681	9,606	5,254	952	121	1,100	253	415	273	37,621	36,595	1,026	-----
October	54,995	21,187	2,977	9,753	5,246	1,132	132	1,118	236	593	327	33,181	32,231	950	-----
November	51,633	20,968	3,066	9,738	5,262	1,196	124	939	178	465	332	30,333	29,561	777	-----
December	54,875	21,296	3,304	9,695	5,288	1,280	124	982	206	417	286	33,293	30,887	2,400	-----
1941															
January	64,840	21,929	3,603	9,739	5,312	1,393	120	1,063	221	478	266	42,645	39,270	3,370	-----
February	59,859	22,532	3,757	9,899	5,307	1,602	124	1,225	187	431	259	37,068	34,611	2,438	-----
March	59,371	23,194	4,030	9,792	5,390	1,762	125	1,241	226	658	324	35,853	33,608	2,240	-----
April	52,344	23,595	4,185	9,960	5,392	1,828	130	1,111	411	578	301	28,448	26,998	1,450	-----
May	56,486	23,680	4,386	10,003	5,401	1,928	133	1,080	367	382	384	32,422	31,574	84	-----
June	55,330	23,950	4,530	9,973	5,387	2,020	135	1,026	242	637	373	31,007	30,530	47	-----

¹ Payments to individual beneficiaries under programs; data exclude cost of administration. For detailed data see tables in program sections of the Bulletin.

² Represents old-age retirement benefits under all acts and disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts.

³ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent primary benefits, wife's benefits, and benefits to children of primary beneficiaries. Distribution by type of benefit partly estimated for 1940.

⁴ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment, minus cancellations, during month ended on 20th calendar day.

⁵ Principally payments under civil-service retirement and disability fund but includes also payments under Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by the Civil Service Commission. Includes accrued annuities to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of

data for fiscal years. For discussion of benefits and beneficiaries under the Civil Service Retirement Act, see the Bulletin, April 1941, pp. 29-42.

⁶ See footnotes 5 and 8.

⁷ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent widow's benefits, widow's current benefits, parent's benefits, and orphan's benefits. Distribution by type of benefit partly estimated for 1940.

⁸ Amounts certified to the Secretary of the Treasury for payment; represent payments at age 65 for 1937-August 1939, payments with respect to deaths of covered workers prior to Jan. 1, 1940, for entire period, and beginning January 1940 payments with respect to deaths of covered workers after Dec. 31, 1939. Payments at age 65 totaling \$651,000 in 1937, \$4,706,000 in 1938, and \$4,574,000 in 1939, are not survivor payments.

⁹ Amount of checks issued, reported by State agencies to the Bureau of Employment Security.

¹⁰ Amounts certified by regional offices of the Railroad Retirement Board to disbursing officers of the Treasury in the same city.

¹¹ Incorrectly reported as \$79,176 in April-July issues of the Bulletin.

compensation laws was 683,000; and the average under the Railroad Unemployment Insurance Act, 11,400. The average weekly number of beneficiaries under the State laws represented an increase of 3.6 percent from the previous month,

in contrast to a decrease of 3.3 percent in total payments in the calendar month. Approximately 784,000 workers received one or more payments in June 1941, in contrast to 1.4 million in June 1940.

Table 2.—Individuals receiving payments under selected social insurance and retirement programs, by month, January 1940–June 1941

[In thousands]

Year and month	Retirement and survivor beneficiaries								Separated employees receiving refunds under the Civil Service Commission ⁸	Unemployment insurance beneficiaries	
	Monthly retirement beneficiaries			Survivor beneficiaries						State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹
	Monthly beneficiaries		Lump-sum beneficiaries ⁶								
Social Security Act ¹	Railroad Retirement Act ²	Civil Service Commission ³	Social Security Act ⁴	Railroad Retirement Act ⁵	Social Security Act ⁷	Railroad Retirement Act	Civil Service Commission ⁸				
1940											
January.....	3.7	136.6	60.6	0	2.8	8.9	1.0	0.4	1.5	874.8	57.0
February.....	7.1	137.6	60.7	1.3	2.8	7.2	1.2	.4	1.2	985.5	52.8
March.....	27.0	138.4	60.8	5.6	2.8	9.5	1.0	.5	1.8	1,095.2	57.4
April.....	39.7	139.3	61.2	13.0	3.0	8.6	1.4	.5	1.5	960.7	50.9
May.....	53.7	140.2	61.9	18.8	3.0	8.8	1.3	.3	1.3	1,201.0	35.0
June.....	69.6	141.2	62.7	27.1	3.1	8.2	1.2	.5	1.3	1,268.6	31.4
July.....	86.3	142.1	63.5	34.5	3.1	7.6	1.0	.5	1.2	1,220.0	22.3
August.....	101.6	143.0	63.8	41.8	3.1	6.7	1.0	.5	1.6	1,121.8	31.1
September.....	115.6	143.9	64.4	49.3	3.2	8.6	1.3	.4	1.6	875.4	37.8
October.....	130.9	144.9	64.6	59.1	3.2	8.6	1.1	.6	1.7	698.1	28.9
November.....	140.7	145.6	65.0	66.7	3.2	7.2	.9	.7	1.5	676.1	20.3
December.....	150.6	146.0	65.2	75.1	3.3	7.3	1.0	.6	1.6	666.6	73.7
1941											
January.....	164.8	146.4	65.5	83.3	3.3	7.8	1.0	.9	1.7	825.7	77.6
February.....	175.0	147.3	65.5	92.9	3.3	9.1	.8	.5	1.7	806.4	63.2
March.....	190.7	147.6	66.1	101.2	3.3	9.1	1.0	.7	1.9	761.7	55.6
April.....	200.8	148.1	66.3	108.7	3.4	8.2	1.7	.6	2.0	589.6	38.5
May.....	211.1	148.9	66.8	115.8	3.4	7.9	1.5	.4	2.5	659.0	20.7
June.....	218.8	149.6	66.9	122.4	3.4	7.4	1.0	.6	2.6	682.9	11.4

¹ Primary beneficiaries and their wives and children, for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

² Employee annuitants and pensioners on roll at end of month; includes disability annuitants.

³ Annuitants under Civil Service, Canal Zone, and Alaska Railroad Retirement Acts; represents age and disability retirements, voluntary and involuntary retirements after 30 years' service, and involuntary separations after not less than 15 years' service. Figures not adjusted for suspension of annuities of persons who have returned to work in the War and Navy Departments under the National Defense Act of June 28, 1940, numbering 388 in June 1941.

⁴ Widows, parents, and orphans for whom monthly benefits were certified to the Secretary of the Treasury during month. Distribution by type of benefit partly estimated for 1940.

⁵ Widows receiving survivor benefits under joint and survivor elections

and next of kin receiving death-benefit annuities for 12 months. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

⁶ Number of deceased wage earners with respect to whose wage records payments were made to survivors.

⁷ Represents deceased wage earners whose survivors received payments under either 1935 or 1939 act.

⁸ See footnote 3 for programs covered. Represents survivors of employees who died before retirement age and of annuitants with unexpended balances.

⁹ See footnote 3 for programs covered.

¹⁰ Represents average number of weeks of unemployment compensated in calendar weeks ended within month.

¹¹ Number of individuals receiving benefits during second and third weeks of month for days of unemployment in registration periods of 15 consecutive days through November 1940 and of 14 days thereafter.

Financial and Economic Data

Receipts and Expenditures

Social security tax collections of \$203 million in April-June 1941 represented 8.4 percent of total Federal receipts of \$2,420 million, as compared with 9.1 percent in the previous quarter and 11.7 percent in the corresponding period of 1940 (table 1). Social security receipts have increased each fiscal year since 1936-37, reflecting improved employment and pay-roll conditions as well as administrative and legislative changes.

The increase in the ratio of these receipts to total Federal collections (table 2), which persisted through 1939-40, was reversed in 1940-41, as a result of new Federal taxes, higher tax rates, and increased Federal revenues from income taxes and other sources associated with rising income levels.

Social security expenditures, representing administrative expenses and grants to States and net appropriations to the old-age and survivors

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-41

(In millions)

Period	General and special accounts										Trust accounts, etc. ⁷ excess receipts (+) or expenditures (-)	Change in general fund balance	Public debt				
	Receipts of Federal Government				Expenditures ⁴ of Federal Government								Total	Old-age and survivors insurance trust fund	Unemployment trust fund ⁵	Railroad retirement account	All other
	Total ¹	Social security taxes ²	Railroad retirement and unemployment taxes ³	All other	Total ¹	Under the Social Security Act		Under the Railroad Retirement Board		All other							
						Administrative expenses and grants to States ¹	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses ⁶	Transfers to railroad retirement account								
Fiscal year:																	
1936-37.....	\$5,294	\$252	(⁹)	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312	\$35,846
1937-38.....	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66 35,565
1938-39.....	5,668	631	109	4,928	9,210	342	503	3	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67 37,929
1939-40.....	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79 39,441
1940-41.....	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74 44,233
1940																	
June.....	784	4	28	752	1,022	11	136	1		874	-238	-60	-139	42,968	1,738	1,710	79 39,441
July.....	367	39	1	327	854	64	36	(⁹)	1	20	734	-487	+51	+367	43,771	1,733	79 40,236
August.....	566	132	7	427	825	34	119	1	26	645	-259	+320	+196	43,905	1,728	1,808	85 40,294
September.....	711	3	26	683	790	17	1	1	10	731	-49	-158	-39	44,073	1,876	1,790	85 40,322
October.....	365	37	(⁹)	328	901	57	32	(⁹)		812	-536	-24	-495	44,137	1,871	1,821	85 40,360
November.....	485	133	5	347	940	37	123	1	20	759	-455	+216	-103	44,273	1,866	1,934	85 40,388
December.....	741	4	31	706	1,173	19	1	(⁹)		1,153	-432	-209	+111	45,025	2,016	1,945	85 40,979
1941																	
January.....	372	46	1	325	1,142	53	32	(⁹)	10	1,047	-771	+15	+97	45,877	2,006	1,974	85 41,812
February.....	674	188	5	481	1,208	30	132	1	20	1,025	-534	-3	-324	46,090	2,002	2,087	85 41,916
March.....	1,567	4	31	1,532	1,400	36	(⁹)	1	10	1,353	+167	-236	+1,014	47,173	2,161	2,077	85 42,850
April.....	602	42	1	559	1,352	49	37	1	8	1,257	-750	+402	-290	47,231	2,151	2,117	85 42,878
May.....	541	157	8	376	1,288	35	147	1		1,105	-747	-264	-521	47,721	2,146	2,254	84 43,237
June.....	1,277	4	28	1,245	1,630	17	1	1		1,511	-252	-259	+729	48,961	2,381	2,273	74 44,233

¹ Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are excluded from net receipts and expenditures of general and special accounts of the Treasury. These net appropriations are included here in both total receipts and expenditures for comparison with previous periods.

² Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

³ Represents total collections under the Carriers Taxing Act and 10 percent of collections under the Railroad Unemployment Insurance Act (see table 3, footnote 5).

⁴ Excludes public-debt retirement. Based on checks cashed and returned to the Treasury.

⁵ Excludes funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations of the Public Health Service (see table 5, footnote 1); also excludes grants to States for employment service administration under the Wagner-Peyser Act. Such grants are included in "all other." Also excludes administrative expenses incurred by the Treasury prior to July 1940 in administration of title II of the Social Security

Act and the Federal Insurance Contributions Act. Includes expenses incurred by the Social Security Board in administration of the Wagner-Peyser Act, beginning July 1940.

⁶ Includes expenditures for administration of railroad unemployment insurance, amounting to \$500,000 in 1938-39, \$5.0 million in 1939-40, and \$3.4 million in 1940-41; also includes \$888,000 expended since April 1941 for acquisition of service and compensation data of railroad workers in accordance with Public Res. 102, approved Oct. 9, 1940.

⁷ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁸ Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State employment security agency.

⁹ Less than \$500,000.

¹⁰ Excludes amounts reimbursed to the Treasury for administrative expenses, which were part of transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table 2.—Ratio of social security receipts, expenditures, and investments to total Federal receipts, expenditures, and public debt, by fiscal year, 1936–41

Fiscal year	Ratio (percent) of—		
	Social security taxes ¹ to total Federal receipts ²	Social security expenditures ³ to total Federal expenditures ⁴	Social security investments ⁵ to total Federal debt
1936–37.....	4.8	5.3	1.6
1937–38.....	9.7	8.9	4.1
1938–39.....	11.1	9.2	6.0
1939–40.....	12.0	9.6	8.0
1940–41.....	9.6	8.3	9.5

¹ Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

² Includes net appropriations to old-age and survivors insurance trust fund.

³ Represents administrative expenses, grants to States, and net appropriations and transfers to old-age and survivors insurance trust fund.

⁴ Represents old-age and survivors insurance trust fund and unemployment trust fund.

insurance trust fund, were 6.9 percent of total Federal expenditures in the second quarter of 1941, as compared with 7.5 percent in the first quarter and 9.1 percent in April–June 1940. Social security expenditures have increased each year and, until 1940–41, formed an increasing share of total Federal expenditures. The decrease in the ratio of such expenditures to total Federal expenditures in 1940–41 resulted from the large defense outlays which increased proportionately more rapidly than social security expenditures.

The combined assets of the old-age and survivors insurance trust fund and the unemployment trust fund amounted to \$4.7 billion at the end of June, as compared with \$3.5 billion a year ago. This large increase reflects the high level of tax receipts during the year and, to a lesser extent, the decline in State withdrawals from the unemployment trust fund for benefit purposes.

The combined investments of the two funds amounted to 9.5 percent of the total public debt at the end of 1940–41, as compared with 8.0 percent a year ago. The two social security funds absorbed 20.1 percent of the increase of \$5,993 million which occurred in the public debt during the fiscal year just ended.

The investments of the two social security trust funds continued their upward trend in 1940–41. The holdings of the old-age and survivors insurance trust fund increased \$643 million in 1940–41, as compared with \$561 million in 1939–40, while those of the unemployment trust fund rose \$563 million, as compared with \$443 million in 1939–40.

The computed rate of interest on the interest-bearing public debt was 2.518 percent as of June 30, 1941, as compared with 2.534 percent as of May 31, 1941, and 2.583 percent as of June 30, 1940. This rate determines the rate of interest on all unemployment trust fund certificates and old-age and survivors insurance trust fund notes which may be acquired during the following month.

During June the usual declines at the end of a quarter occurred in Federal insurance con-

Table 3.—Social insurance taxes under selected programs, by specified period, 1936–41

(In thousands)

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employees ²	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through June 1941.....	\$2,534,359	\$517,643	\$3,581,809	\$453,923	\$117,329
Fiscal year:					
1936–37.....	194,346	345	(⁶)	57,751	.....
1937–38.....	514,406	150,132	(⁶)	90,104	.....
1938–39.....	530,358	109,257	803,007	100,869	.....
1939–40.....	604,694	120,967	853,955	107,523	49,167
1940–41.....	690,555	136,942	888,442	97,677	68,162
1940					
June.....	2,895	26,356	10,535	1,020	14,783
July.....	38,064	529	104,497	504	12
August.....	123,829	7,052	95,623	8,132	1,180
September.....	2,759	24,587	7,861	584	15,065
October.....	34,500	366	115,721	2,747	22
November.....	125,124	4,904	85,117	7,998	868
December.....	3,141	29,166	12,464	558	16,331
1941					
January.....	33,923	604	129,532	12,082	44
February.....	134,433	5,414	88,561	53,475	569
March.....	2,588	28,951	6,867	918	16,739
April.....	39,228	1,371	127,940	2,447	70
May.....	149,679	7,979	105,763	7,453	957
June.....	3,286	26,120	8,495	780	16,306

¹ Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

² Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 58, table 9, footnote 3. Data include contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$105.9 million as of June 30, 1941, are not deducted. Figures reported by State agencies, corrected to June 30, 1941.

⁴ Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages earned in previous calendar year.

⁵ Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Represents 10 percent which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act, and 90 percent which is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts therefore differ from figures on p. 80, table 1, which represent only the 10 percent deposited with the Treasury.

⁶ Not available.

⁷ Includes \$40.6 million subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to Federal Government.

tributions, State unemployment contributions, and Federal unemployment taxes (table 3).

The major part of Federal social security tax receipts is accounted for by Federal insurance contributions, which represented 87.6 percent of the total in 1940-41, as compared with 84.9 percent in the previous year and 84.8 percent for the entire period of collection through June 1941. Federal insurance contributions—totaling \$691 million in 1940-41—increased 14.2 percent over the preceding fiscal year, while Federal unem-

ployment tax collections of \$97.7 million represented a decrease of 9.2 percent. The decrease in Federal unemployment tax collections is explained primarily by the fact that Federal unemployment taxes on 1940 pay rolls, most of which were received in January-February 1941, were based upon only as much as \$3,000 in wages and salaries received in a year. Taxable pay rolls in 1939, on which 1939-40 receipts were largely based, included all wages and salaries in covered employment. The comparability of unemployment tax

Table 4.—Federal insurance contributions and Federal unemployment taxes,¹ by internal revenue collection district, April-June 1941 and fiscal year 1940-41

Internal revenue collection district in—	April-June 1941			Fiscal year 1940-41		
	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³
Total	\$203,166.9	\$192,442.1	\$10,724.8	\$788,263.6	\$688,177.9	\$100,085.7
Alabama	1,585.3	1,505.0	80.3	6,135.8	5,367.7	768.1
Arizona	318.1	309.7	8.4	1,239.5	1,061.0	178.6
Arkansas	558.3	539.5	18.9	2,238.7	1,999.7	239.0
California (2 districts)	12,213.6	11,773.1	440.4	48,391.0	42,819.5	5,571.5
Colorado	1,061.0	1,007.9	53.1	4,330.4	3,839.4	490.9
Connecticut	4,485.2	4,327.4	157.8	17,328.4	15,374.5	1,953.9
Delaware	1,705.8	1,597.8	107.9	5,687.5	5,031.4	656.1
Florida	1,726.6	1,661.7	64.9	6,031.6	5,379.2	652.4
Georgia	2,230.4	2,126.4	104.0	8,224.6	7,228.1	996.5
Hawaii	421.7	410.6	11.1	1,599.0	1,412.7	186.3
Idaho	311.8	305.2	6.6	1,381.5	1,237.4	144.1
Illinois (2 districts)	18,072.3	16,828.9	1,243.4	71,266.4	62,025.8	9,240.6
Indiana	3,694.8	3,575.4	119.5	14,691.6	12,940.7	1,750.8
Iowa	1,665.2	1,611.2	54.1	7,103.7	6,301.3	802.4
Kansas	887.8	842.6	45.2	3,515.7	3,046.8	468.9
Kentucky	1,616.7	1,568.2	48.5	6,194.0	5,368.8	825.2
Louisiana	1,745.2	1,681.1	64.2	6,310.6	5,584.2	726.4
Maine	756.7	732.3	24.3	3,161.8	2,808.4	353.4
Maryland (including District of Columbia)	3,834.9	3,693.6	141.3	14,918.8	12,992.7	1,926.1
Massachusetts	9,069.5	8,696.2	373.3	34,987.5	30,756.4	4,231.2
Michigan	13,869.1	13,067.2	801.9	51,296.3	45,158.4	6,137.9
Minnesota	2,646.1	2,531.3	114.8	11,259.8	9,819.5	1,440.3
Mississippi	507.0	495.8	11.2	1,994.7	1,772.6	222.0
Missouri (2 districts)	5,020.7	4,758.8	261.9	19,486.3	17,062.1	2,424.2
Montana	314.2	300.6	13.5	1,425.0	1,282.2	142.8
Nebraska	822.8	780.9	41.9	3,471.4	3,041.5	430.0
Nevada	140.2	120.7	19.5	594.3	479.9	114.3
New Hampshire	536.1	512.3	23.8	2,163.5	1,905.2	258.3
New Jersey (2 districts)	7,672.4	7,258.0	414.4	29,591.5	25,807.3	3,784.3
New Mexico	186.0	182.5	3.5	759.3	680.1	79.2
New York (6 districts)	43,032.0	40,069.1	2,962.9	167,042.9	142,930.4	24,112.5
North Carolina	2,763.6	2,658.6	105.0	10,238.9	9,010.3	1,228.7
North Dakota	145.7	140.5	5.1	646.9	586.7	60.3
Ohio (4 districts)	14,017.5	13,314.9	702.6	54,325.2	47,485.6	6,839.6
Oklahoma	1,565.3	1,475.8	89.4	6,439.2	5,637.1	802.1
Oregon	1,307.6	1,259.1	48.4	5,291.1	4,684.6	606.5
Pennsylvania (3 districts)	19,997.8	18,943.8	1,054.0	77,057.6	67,739.5	9,318.1
Rhode Island	1,543.2	1,500.3	42.9	5,657.8	4,950.0	707.9
South Carolina	1,081.7	1,040.2	41.5	3,953.3	3,475.8	477.5
South Dakota	167.4	163.6	3.7	733.9	668.3	65.5
Tennessee	1,925.1	1,866.3	58.8	7,423.3	6,502.0	921.3
Texas (2 districts)	4,707.0	4,496.8	210.2	18,270.8	15,929.2	2,341.7
Utah	414.0	401.2	12.8	1,769.1	1,550.5	218.6
Vermont	320.4	310.8	9.6	1,350.7	1,200.2	150.5
Virginia	2,423.3	2,312.4	110.8	8,765.7	7,701.8	1,063.9
Washington (including Alaska)	2,459.7	2,346.3	113.4	9,828.4	8,712.6	1,115.8
West Virginia	1,561.5	1,485.6	75.9	6,288.3	5,511.5	776.8
Wisconsin	3,907.5	3,714.4	193.1	15,758.4	13,751.8	2,006.6
Wyoming	180.6	140.3	10.3	641.8	565.5	76.3

¹ Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from the tax receipts in tables 1 and 3, which are based on the Daily Statement of the U. S. Treasury. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the Treasury. The amount received by a particular district does not

necessarily represent taxes paid with respect to employment within the State in which that district is located.

² See table 3, footnote 1.

³ See table 3, footnote 4.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

receipts between the two fiscal years is further affected by the fact that in a few States, including New York and Michigan, where wages in excess of \$3,000 were not taxable under the State laws in 1939, taxes at the full 3-percent Federal rate on amounts in excess of \$3,000 were included in the Federal unemployment tax collections.

State unemployment contributions, like Federal insurance contributions, showed a rise during 1940-41, amounting to 4.0 percent, despite the fact that many States changed the contribution base to accord with the \$3,000 provision of the Federal act. The increase in both types of receipts reflects the improved employment and pay-roll conditions associated with defense activities.

A total of \$35.5 million was collected under the Carriers Taxing Act in the April-June quarter—1.4 percent more than in the preceding quarter and 9.3 percent more than in the corresponding quarter a year ago. Inasmuch as the tax rate was 3 percent each on employers and employees in all 3 quarters, the increases for the most recent periods reflect increased employment and increased carrier pay rolls during the past year. Tax collections for the fiscal year were \$136.9 million, or 13.2 percent more than the amount collected in the preceding fiscal year, when receipts in the first 9 months represented collections at the 2½-percent rate.

The unadjusted Federal Reserve Board index of industrial production rose 3 points in June to a record figure of 156; the monthly average for 1940-41 was 136, or 17 percent higher than the monthly average of 116 for 1939-40. Comparison of this increase with the 14-percent increase in Federal insurance contributions and the 4-percent rise in State unemployment contributions during the same period is limited by the fact that social security tax receipts lag approximately one quarter behind the general economic indexes to which they relate.

Further increases in social security tax receipts may be anticipated during the first quarter of 1941-42. The Department of Labor indicates that during April and May general wage-rate increases affected nearly 1.5 million workers in manufacturing industries. The durable-goods industries, where most of the defense production is concentrated, reported extension of overtime with accompanying increases in pay rolls. Most

of these workers are covered by the Federal insurance tax acts.

Total expenditures for grants to States under the Social Security Act, on a checks-cashed basis, were \$59 million larger in 1940-41 than in 1939-40 (table 5). These grants to States include outlays under previous fiscal-year appropriations, thus accounting for the apparent excess of expenditures over appropriations in 1940-41. Throughout the 6 years of operation under the Social Security Act,

Table 5.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act for the fiscal years 1939-40 and 1940-41¹

(In thousands)

Item	Fiscal year 1939-40		Fiscal year 1940-41	
	Appropriations ²	Expenditures ³	Appropriations ²	Expenditures ³
Total.....	\$383,844	\$379,139	\$440,594	\$446,082
Administrative expenses.....	25,188	22,638	27,694	31,515
Federal Security Agency, Social Security Board.....	24,750	22,222	27,220	25,668
Department of Labor, Children's Bureau.....	338	323	364	362
Department of Commerce, Bureau of the Census.....	100	93	110	113
Department of the Treasury.....	(⁴)	(⁴)	(⁴)	5,373
Grants to States.....	358,655	356,501	413,200	415,167
Federal Security Agency.....	349,000	346,955	402,000	404,111
Social Security Board.....	339,500	337,516	391,000	393,338
Old-age assistance.....	225,000	227,633	245,000	260,080
Aid to dependent children.....	45,000	45,380	75,000	63,222
Aid to the blind.....	8,000	6,168	10,000	7,069
Unemployment compensation administration.....	61,500	58,335	61,000	62,967
Public Health Service: Public health work.....	9,500	9,439	11,000	10,773
Department of Labor, Children's Bureau.....	9,655	9,546	11,200	11,056
Maternal and child health services.....	4,800	4,767	5,820	5,536
Services for crippled children.....	3,350	3,291	3,870	3,986
Child welfare services.....	1,505	1,487	1,510	1,534

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$111,500 was appropriated in 1939-40 and \$113,000 in 1940-41 for administration in the Office of Education, and \$1,938,000 in 1939-40 and \$2 million in 1940-41 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,640,000 in 1939-40 and \$1,625,000 in 1940-41 in addition to grants to States shown in this table.

² Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1939-40 include additional appropriations of \$17.3 million approved Aug. 9, 1939.

³ Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Fiscal year 1940-41 appropriations and expenditures include amounts for administration of the Wagner-Peyser Act.

⁵ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

⁶ Not available.

⁷ Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program. Excludes grants to States for employment service administration under the Wagner-Peyser Act, for which \$3.5 million was appropriated in 1939-40 and \$3 million in 1940-41.

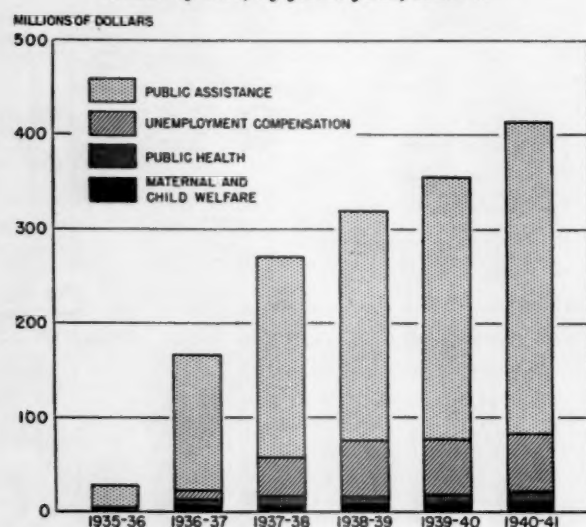
Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

the largest expenditure for grants to States has been made under the public assistance programs, principally for old-age assistance (chart 1). Total administrative expenses under the act also rose during 1940-41. Amounts expended by the Treasury Department in administering title II of the Social Security Act, included for the first time in 1940-41, contributed to the increase.

Old-Age and Survivors Insurance Trust Fund

Contributions of \$3.3 million were appropriated to the old-age and survivors insurance trust fund in June, bringing total appropriations for 1940-41 to \$688 million.¹ This fiscal year was the first

Chart 1.—Federal grants to States under the Social Security Act, by fiscal year, 1935-41



Source: Daily Statement of the U. S. Treasury.

during which trust fund appropriations were required by law to be equal to collections under the Federal Insurance Contributions Act. Total assets of the fund as of the end of the fiscal year were \$2,398 million and exceeded total assets at the end of 1939-40 by 37 percent (table 8).

On June 30, 1941, \$265 million of 3-percent old-age reserve account notes issued in 1936-37 matured and were the first of the special obligations issued to the trust fund to reach maturity. The sums thus made available were invested in 2.5-percent old-age and survivors insurance trust fund notes along with the regular quarterly investment which took place during the month. In ad-

¹ Excludes \$2.4 million, representing receipts collected prior to July 1, 1940, which was not available for appropriation to the trust fund.

dition, \$11.0 million of 3-percent old-age reserve account notes maturing June 30, 1944, were redeemed during June, and this entire sum was

Table 6.—Federal grants to States for public assistance¹ and administration of unemployment compensation laws and State employment services:² Advances certified³ by the Social Security Board to the Secretary of the Treasury, for the fiscal year 1940-41

State	Public assistance			Employment security	
	Old-age assistance	Aid to dependent children	Aid to the blind	Under the Social Security Act	Under the Wagner-Peyser Act
Total	\$259,874.9	\$62,992.2	\$7,073.2	\$62,461.6	\$3,182.9
Alabama	1,204.1	563.3	36.2	644.3	63.0
Alaska	272.0	(⁴)	(⁴)	63.8	10.0
Arizona	1,475.5	324.8	64.4	270.7	13.0
Arkansas	1,084.8	490.6	60.1	451.7	44.9
California	35,844.1	3,698.3	1,858.0	4,682.7	143.4
Colorado	7,183.2	1,133.6	119.6	453.3	26.0
Connecticut	2,932.5	(⁴)	30.6	1,345.0	40.6
Delaware	168.8	127.2	(⁴)	213.3	11.0
District of Columbia	543.8	222.2	38.8	313.0	(⁴)
Florida	2,892.2	490.4	214.2	622.9	36.6
Georgia	2,144.5	628.4	104.5	888.1	73.0
Hawaii	149.3	270.6	8.2	115.9	15.0
Idaho	1,273.6	564.1	40.9	253.3	11.2
Illinois	19,445.3	(⁴)	(⁴)	4,707.8	184.3
Indiana	7,404.9	2,909.6	322.8	1,624.3	81.8
Iowa	7,257.8	(⁴)	228.5	554.7	69.8
Kansas	3,412.2	1,097.5	196.9	414.7	65.4
Kentucky	3,066.3	(⁴)	(⁴)	765.0	67.4
Louisiana	2,554.7	2,296.1	125.7	741.3	59.9
Maine	1,718.6	330.8	156.0	447.3	19.4
Maryland	1,982.7	1,455.5	90.2	779.3	40.0
Massachusetts	15,332.9	2,840.2	171.1	3,145.8	108.4
Michigan	8,144.5	3,978.0	153.0	2,929.3	124.0
Minnesota	8,184.6	1,956.1	171.5	1,246.2	62.1
Mississippi	1,359.2	54.1	54.8	389.3	48.7
Missouri	10,829.1	2,166.9	(⁴)	1,627.9	110.8
Montana	1,468.6	445.1	31.7	277.2	13.6
Nebraska	3,286.9	1,069.2	91.8	355.4	35.6
Nevada	385.3	(⁴)	(⁴)	162.8	10.7
New Hampshire	870.5	138.8	47.9	319.2	13.1
New Jersey	3,938.9	2,004.7	125.6	2,841.4	102.1
New Mexico	501.9	345.1	27.6	184.1	10.5
New York	17,921.5	6,483.4	478.4	8,330.9	304.9
North Carolina	2,346.8	1,028.8	199.7	1,069.9	84.2
North Dakota	931.2	496.6	34.3	206.8	16.5
Ohio	19,066.3	2,072.7	530.1	3,387.1	129.0
Oklahoma	9,288.2	1,918.2	248.2	607.1	59.0
Oregon	2,571.3	376.5	68.3	774.5	21.1
Pennsylvania	12,537.6	10,285.9	(⁴)	5,559.3	273.4
Rhode Island	858.7	298.8	9.2	714.0	17.4
South Carolina	847.5	297.7	52.7	528.3	42.1
South Dakota	1,754.1	127.9	28.9	153.6	16.8
Tennessee	2,511.0	1,609.0	111.4	912.7	76.2
Texas	10,276.6	(⁴)	(⁴)	2,080.3	183.5
Utah	2,057.6	727.4	31.6	284.6	12.3
Vermont	573.4	120.5	21.0	219.3	10.0
Virginia	1,281.1	596.3	85.8	860.2	69.8
Washington	7,295.8	1,015.0	206.9	987.3	39.5
West Virginia	1,586.4	1,483.0	97.4	772.0	45.0
Wisconsin	7,231.8	2,096.6	283.4	1,015.7	74.2
Wyoming	514.4	154.5	23.9	167.1	10.0

¹ Figures not comparable with those on amount of obligations incurred for payments to recipients, which represent payments from Federal, State, and local funds and exclude administrative expense.

² Excludes State and local appropriations to employment service.

³ Advances are certified for specified period of operation which is not necessarily period in which certification is made.

⁴ No plan approved by the Social Security Board.

⁵ Not available, because funds for the District of Columbia employment service are included in funds of the Bureau of Employment Security which maintains it.

Source: Social Security Board, Bureau of Accounts and Audits.

made available to the account of the disbursing officer. Reimbursements to the Treasury for administrative expenses for the entire quarter,

amounting to \$6.6 million, were paid from the disbursing officer's account during June, although they are noted in the fund account both in the

Table 7.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department in the fiscal years 1939-40 and 1940-41¹

[In thousands]

State	Fiscal year 1939-40, total grants	Fiscal year 1940-41								
		Total grants	Federal Security Agency				Department of Labor			
			Social Security Board				Public Health Service	Children's Bureau		
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration ¹	Public health work	Maternal and child health services	Services for crippled children	Child welfare services
Total, all participating States.....	\$348,484.8	\$414,535.5	\$259,781.0	\$62,990.8	\$7,073.2	\$63,011.2	\$10,748.1	\$5,471.3	\$3,928.3	\$1,531.8
Alabama.....	2,674.3	3,156.7	1,204.1	563.3	36.2	648.4	350.7	220.5	86.6	47.0
Alaska.....	353.9	470.4	272.0	(²)	(²)	64.0	41.1	61.8	16.5	15.0
Arizona.....	2,160.9	2,555.1	1,475.5	524.8	64.4	272.1	74.6	90.4	33.0	20.4
Arkansas.....	1,697.9	2,605.6	1,084.8	490.6	60.1	455.6	262.1	111.7	91.1	49.5
California.....	37,002.5	46,835.4	35,840.1	3,698.3	1,858.0	4,721.5	383.9	175.8	142.5	15.3
Colorado.....	8,849.7	9,177.0	7,183.2	1,133.6	119.6	456.0	111.3	89.7	63.6	19.9
Connecticut.....	4,263.9	4,616.8	2,952.5	(²)	30.6	1,350.0	124.5	70.6	67.6	21.0
Delaware.....	562.0	596.3	168.8	127.2	(²)	214.3	34.7	29.6	5.2	16.6
District of Columbia.....	1,410.8	1,323.7	538.9	222.2	38.8	314.9	76.8	82.0	41.3	8.8
Florida.....	4,065.4	4,589.1	2,892.2	490.4	214.2	626.0	177.1	111.1	58.8	19.2
Georgia.....	3,180.2	4,470.2	2,144.5	628.4	104.5	896.8	329.9	187.8	130.9	47.5
Hawaii.....	591.1	723.8	149.3	270.6	8.2	116.2	75.7	46.6	42.1	15.1
Idaho.....	1,885.5	2,352.1	1,273.6	564.1	40.9	255.7	116.5	46.5	36.8	17.9
Illinois.....	21,323.0	24,949.9	19,423.0	(²)	(²)	4,731.3	453.9	122.4	172.0	47.4
Indiana.....	11,417.4	12,835.3	7,494.9	2,909.6	322.8	1,633.1	233.7	100.6	105.8	34.8
Iowa.....	7,420.7	8,495.4	7,257.8	(²)	228.5	560.5	233.0	92.2	92.3	31.0
Kansas.....	4,444.9	5,487.7	3,412.2	1,097.5	196.9	418.4	155.4	85.0	89.9	32.5
Kentucky.....	3,764.9	4,437.3	3,066.3	(²)	(²)	770.3	324.2	132.2	104.9	39.4
Louisiana.....	4,950.3	6,161.3	2,554.7	2,296.1	125.7	746.7	193.0	142.8	65.1	37.1
Maine.....	2,602.8	2,854.5	1,718.6	330.8	156.9	450.8	54.3	84.5	39.6	19.0
Maryland.....	4,382.9	4,660.4	1,982.7	1,455.5	90.2	781.9	153.4	109.8	64.5	22.4
Massachusetts.....	18,931.9	21,985.6	15,332.9	2,840.2	171.1	3,160.4	275.2	103.7	90.5	11.5
Michigan.....	14,412.6	15,872.8	8,143.1	3,977.0	153.0	2,940.7	315.9	164.6	136.1	42.4
Minnesota.....	10,600.3	11,929.2	8,131.5	1,956.1	171.5	1,251.0	206.9	101.8	82.2	29.1
Mississippi.....	1,719.6	2,382.6	1,359.2	54.1	54.8	391.9	287.2	135.9	53.7	45.7
Missouri.....	11,516.2	15,090.7	10,829.1	2,166.9	(²)	1,637.3	272.8	43.6	91.0	50.1
Montana.....	2,047.9	2,416.6	1,468.6	445.1	31.7	279.5	68.9	59.7	44.8	18.2
Nebraska.....	3,904.0	5,044.8	3,286.9	1,069.2	91.8	358.5	94.9	60.5	53.3	29.7
Nevada.....	600.8	650.4	385.3	(²)	(²)	163.9	40.7	44.1	7.6	8.7
New Hampshire.....	1,229.3	1,508.8	870.5	138.8	47.9	320.6	58.3	37.7	18.8	16.0
New Jersey.....	8,510.1	9,383.5	3,938.9	2,004.7	125.6	2,854.6	256.5	88.2	87.5	27.4
New Mexico.....	984.4	1,329.4	501.9	345.1	27.6	188.4	93.9	123.5	36.5	12.5
New York.....	29,904.3	34,441.6	17,921.5	6,483.4	478.4	8,395.4	688.9	276.8	156.9	40.2
North Carolina.....	4,627.6	5,376.5	2,346.8	1,028.8	199.7	1,074.5	378.8	186.2	113.2	48.3
North Dakota.....	1,607.9	1,826.4	923.3	498.3	34.3	208.4	42.5	52.1	44.0	23.5
Ohio.....	21,608.6	25,686.5	19,066.3	2,072.7	520.1	3,409.2	308.1	131.7	128.6	49.8
Oklahoma.....	9,594.6	12,526.3	9,288.2	1,918.2	248.2	611.4	233.5	97.8	88.3	40.7
Oregon.....	3,861.4	4,062.1	2,571.3	376.5	68.3	779.3	102.6	64.0	81.5	18.6
Pennsylvania.....	24,820.3	29,479.7	12,537.6	10,285.9	(²)	5,596.4	643.1	150.7	172.5	93.6
Puerto Rico.....	216.1	616.2					279.7	214.0	90.3	32.3
Rhode Island.....	1,748.0	2,002.1	858.7	298.8	9.2	717.6	57.0	30.8	16.9	13.0
South Carolina.....	2,522.0	2,243.4	847.5	297.7	52.7	530.8	262.9	144.6	83.8	33.4
South Dakota.....	1,834.2	2,258.0	1,754.1	127.9	28.9	154.6	81.0	54.9	39.5	17.0
Tennessee.....	4,919.9	5,718.9	2,511.0	1,609.0	111.4	920.0	325.0	130.0	72.8	39.6
Texas.....	10,680.0	13,534.9	10,276.6	(²)	(²)	2,247.2	528.7	276.4	154.0	52.1
Utah.....	2,696.0	3,332.7	2,057.6	727.4	31.6	286.4	75.8	70.2	66.9	16.7
Vermont.....	936.1	1,086.1	573.4	120.5	21.0	221.4	55.0	60.1	21.1	13.5
Virginia.....	2,535.7	3,345.6	1,280.8	596.3	85.8	863.9	268.5	110.1	102.4	37.8
Washington.....	7,032.8	9,773.5	7,295.8	1,015.0	206.9	995.3	132.0	46.9	59.5	22.0
West Virginia.....	3,398.1	4,309.4	1,586.4	1,483.0	97.4	775.9	181.1	79.3	79.2	27.0
Wisconsin.....	9,672.4	11,013.2	7,231.8	2,096.6	283.4	1,024.1	158.8	102.9	83.0	32.6
Wyoming.....	816.3	954.5	514.4	154.5	23.9	168.2	24.8	35.0	21.5	12.1

¹ Excludes Federal funds for vocational rehabilitation under the Social Security Act, because they are not separated from other Federal funds for similar purposes.

² Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment

compensation program, but excludes grants under the Wagner-Peyser Act.

³ No plan approved by the Social Security Board.

Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

Daily Statement of the United States Treasury and in table 8 as monthly transactions in order to balance current expenditures.

Benefits during June under the old-age and survivors insurance program, on a checks-cashed basis, totaled \$7.1 million, an increase of 2 percent over May 1941 and of 171 percent over June 1940. Benefit payments in 1940-41—the first full fiscal year of monthly benefit payments—amounted to \$64.3 million. The increase in benefit payments in 1940-41 made it necessary to maintain larger sums with the disbursing officer during the year. As a result, cash with the disbursing officer at the end of the month reached as high as \$15.5 million during 1940-41, as compared with the high of \$7.1 million during 1939-40.

Railroad Retirement Account

Beginning with this issue, reports on the status of the railroad retirement account (table 9) will be based on data appearing in the Daily Statement of the United States Treasury to conform with data in the table on the status of the old-age and survivor insurance trust fund (table 8). Hitherto, the reports on the railroad retirement account

were based on data prepared by the Bureau of General Control, Division of Finance, of the Railroad Retirement Board, and data on benefit payments and the resulting balances were based on the amount of benefit checks drawn by the disbursing officer. In the new table, benefit payments and the resulting balances are based on the amount of benefit checks cashed and returned to the Treasury. The cumulative total of benefit payments cleared through the Treasury is somewhat less than the amount of checks drawn by the disbursing officer and considerably less than the benefits certified to the Treasury for payment (table 1, page 67). Through June the total amount of benefit payments based on checks cashed and returned to the Treasury was \$10.2 million less than the total amount certified for payment.

The last balance of the appropriation for 1940-41 was transferred to the trust fund in April. In May and June, Treasury notes were converted into cash to be used, together with previous cash balances and accumulated interest, to meet benefit certifications. In June, Treasury notes totaling \$10.0 million and \$2.5 million

Table 8.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-41

(In thousands)

Period	Receipts			Expenditures		Assets				
	Contributions appropriated to trust fund ¹	Transfers from general fund to trust fund ²	Interest received ³	Benefit payments ⁴	Reimbursement for administrative expenses	Special Treasury notes acquired ⁵		Cash with disbursing officer at end of period	Credit of fund account at end of period ⁶	Total assets at end of period
						3-percent	2½-percent			
Cumulative through June 1941.	\$688, 141	\$1, 705, 000	\$143, 072	\$99, 470	\$39, 128	\$1, 052, 500	\$1, 328, 100	\$10, 778	\$6, 238	\$2, 397, 415
Fiscal year:										
1936-37		265, 000	2, 262	27		267, 100		73	62	267, 235
1937-38		387, 000	15, 412	5, 404		395, 200		1, 931	113, 012	777, 243
1938-39		503, 000	26, 951	13, 892		514, 900		3, 036	66	1, 180, 302
1939-40		550, 000	42, 489	15, 805	12, 288	236, 000	324, 900	6, 098	500	1, 744, 696
1940-41	688, 141		55, 958	64, 342	26, 840	-360, 700	1, 003, 200	10, 778	6, 238	2, 397, 415
1940										
June		\$141, 000	42, 240	2, 630	6, 106	-11, 000	183, 900	6, 098	500	1, 744, 696
July	28, 064		10	3, 117	2, 221	-5, 000		7, 979	36, 354	1, 777, 434
August	121, 413		17	3, 565	2, 221	-5, 000		9, 413	155, 565	1, 893, 078
September	2, 761		77	3, 878	2, 221	-11, 500	159, 000	10, 370	3, 848	1, 893, 817
October	24, 500		42	4, 942	2, 407	-5, 000		10, 426	35, 985	1, 917, 011
November	125, 124		54	4, 783	2, 407	-5, 000		10, 640	158, 760	2, 035, 000
December	3, 141		171	5, 169	2, 438	-12, 100	163, 000	10, 416	3, 789	2, 030, 706
1941										
January	23, 923		164	5, 422	2, 095	-10, 000		14, 992	35, 783	2, 067, 275
February	134, 433		96	5, 887	2, 095	-5, 000		14, 101	168, 221	2, 183, 822
March	2, 588		241	6, 718	2, 126	-11, 200	171, 000	12, 262	4, 246	2, 177, 806
April	39, 228		239	6, 751	2, 203	-10, 000		15, 506	41, 514	2, 208, 321
May	149, 679		131	6, 975	2, 203	-5, 000		13, 527	189, 126	2, 348, 953
June	3, 286		54, 715	7, 135	2, 203	-275, 900	510, 200	10, 778	6, 238	2, 397, 415

¹ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

² For fiscal year 1936-37, \$265 million was appropriated; for 1937-38, \$300 million; for 1938-39, \$360 million plus additional \$30 million made available by 1940 Treasury Department Appropriation Act; and for 1939-40, \$350 million.

³ Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

⁴ Based on checks cashed and returned to the Treasury.

⁵ Minus figures represent notes redeemed.

⁶ Prior to July 1940, includes balance of appropriation available for transfer.

⁷ Excludes \$1.0 million made available for investment from amounts to credit of fund account.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table 9.—Status of the railroad retirement account, by specified period, 1936–41

[In thousands]

Period	Receipts			Benefit payments ¹	Assets at end of period			
	Amount appropriated	Transfers from appropriation to trust fund	Interest received		3-percent Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through June 1941.....	\$ 498,500	\$498,500	\$8,420	\$419,896	\$74,000	\$2,503	\$10,530	\$87,033
Fiscal year:								
Through June 1938.....	146,500	146,406	1,411	79,849	66,200	234	1,628	68,062
1938–39.....	118,250	107,094	2,202	105,774	67,200	13,206	2,334	82,740
1939–40.....	120,150	120,650	2,283	113,099	79,400	10,847	1,826	92,073
1940–41.....	\$ 113,600	124,350	2,534	121,174	74,000	2,503	10,530	87,033
1940								
June.....		0	2,283	9,694	79,400	10,847	1,826	92,073
July.....	122,600	20,000		9,758	79,400	113,449	12,066	204,915
August.....		26,000		9,892	85,400	87,450	22,173	195,023
September.....		10,000		9,997	85,400	77,451	22,176	185,026
October.....	\$ -9,000	0		10,026	85,400	68,453	12,147	166,000
November.....		20,000		10,028	85,400	48,454	22,118	155,972
December.....		0		10,028	85,400	48,455	12,089	145,944
1941								
January.....		10,000		9,989	85,400	38,456	12,099	135,955
February.....		20,000		9,947	85,400	18,458	22,151	126,008
March.....		10,000		10,258	85,400	8,459	21,891	115,750
April.....		8,350		10,391	85,400	111	19,848	105,359
May.....		0	37	10,516	84,000	49	10,831	94,879
June.....		0	2,497	10,343	74,000	2,503	10,530	87,033

¹ Based on checks cashed and returned to the Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

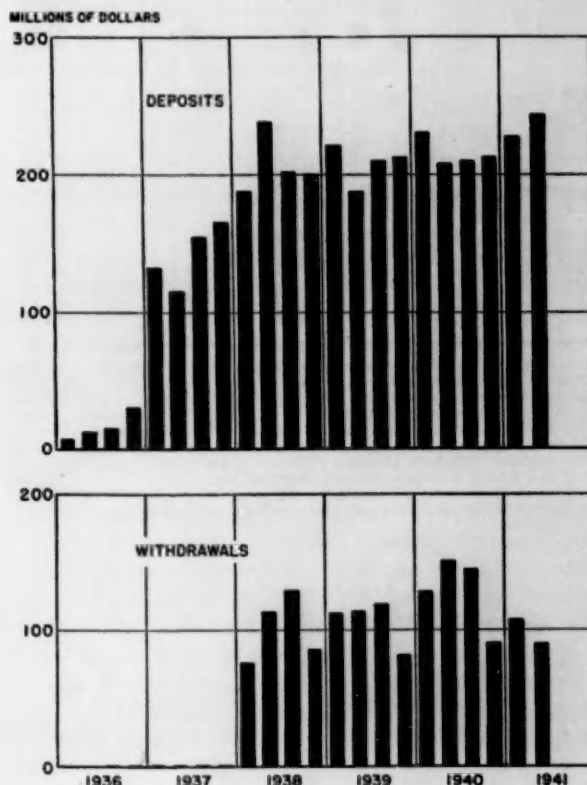
interest earned on the investments of the account were added to the disposable funds. Benefit payments amounted to \$10.3 million. The assets as of June 30, 1941, amounted to \$87.0 million, \$5.0 million less than at the end of the preceding year.

Unemployment Trust Fund

The assets of the unemployment trust fund as of June 30 amounted to \$2,284 million (table 10). As in the previous fiscal year, the investments acquired by this fund during 1940–41, amounting to \$563 million, were smaller than those of the old-age and survivors insurance trust fund during the same period (table 8). Total investments of the fund as of June 30 amounted to \$2,273 million, while the other assets consisted of a cash balance of \$10.7 million.

The total of the balances to the credit of State accounts on June 30 was \$2,094 million—24 percent larger than on June 30, 1940. Both deposits and withdrawals were larger in 1940–41 than in 1939–40. Withdrawals in 1940–41 included \$104 million transferred from State accounts to the railroad unemployment insurance account, as well as \$433 million withdrawn for benefit payments. The latter figure was nearly \$50 million or 10 percent less than such withdrawals in the

Chart 2.—Deposits by States in unemployment trust fund and withdrawals for benefit payments, by quarter, 1936–41



previous year; the decrease resulted mainly from improved employment conditions.

Despite the large amount of transfers to the railroad unemployment insurance account, the excess of deposits over total State withdrawals was only \$20.4 million less in 1940-41 than in the previous year (chart 2). A comparison of the State balances in the trust fund as of June 30 and at the end of the previous quarter indicates that decreases occurred for only two States. The Georgia account declined because of a transfer of \$2.4 million to the railroad unemployment insurance account in April. Montana has deposited less in the trust fund in the April-June quarter than in the January-March quarter in each of the past 3 fiscal years.

Although no transfers were made to the railroad unemployment insurance account during June, \$14.7 million was deposited by the Railroad Retirement Board, bringing the total for the fiscal year to \$61.3 million. Benefit payments from this account were almost 50 percent lower in June than in May, resulting in the lowest amount for any month since July 1939, the first month in which such payments were made.

Interest on Treasury certificates redeemed during April-June 1941 was credited to the separate book accounts in the fund, along with the regular semiannual interest on all the investments held by the fund; \$24.2 million was credited to the State accounts and \$2.0 million to the railroad unemployment insurance account.

Table 10.—Status of the unemployment trust fund, by specified period, 1936-41¹

(In thousands)

Period	Total assets at end of period	Special Treasury certificates acquired ²	Unexpended balance at end of period	Undistributed interest at end of period ³	State accounts				Railroad unemployment insurance account				
					Deposits	Interest credited	Withdrawals ⁴	Balance at end of period	Transfers from State accounts	Deposits	Interest credited	Benefit payments	Balance at end of period
Cumulative through June 1941.....	\$2,283,658	\$2,273,000	\$10,658	-----	\$3,621,359	\$128,255	\$1,655,877	\$2,093,737	* \$105,901	\$105,596	\$3,261	\$32,337	\$189,921
Fiscal year:													
1936-37.....	312,389	293,386	94	-----	291,703	2,737	1,000	312,389	-----	-----	-----	-----	-----
1937-38.....	884,247	559,705	12,247	-----	747,660	15,172	190,975	884,247	-----	-----	-----	-----	-----
1938-39.....	1,280,539	395,000	13,539	-----	811,251	26,537	441,795	1,280,539	-----	-----	-----	-----	-----
1939-40.....	1,724,862	443,000	14,862	-----	859,864	37,524	484,764	1,693,164	1,801	44,249	202	14,552	31,699
1940-41.....	2,283,658	663,000	10,658	-----	892,023	45,893	537,343	2,093,737	* 104,100	61,347	3,059	17,784	189,921
1940													
June.....	1,724,862	—11,000	14,862	-----	12,254	20,049	53,082	1,693,164	28	13,305	176	949	31,699
July.....	1,727,044	13,000	4,044	\$20	58,840	-----	56,410	1,695,594	* 414	11	-----	692	31,432
August.....	1,817,015	85,000	9,015	20	141,574	-----	51,741	1,785,427	0	1,062	-----	925	31,569
September.....	1,802,082	—18,000	12,082	-----	9,278	133	80,414	1,714,424	43,549	13,558	3	1,020	87,659
October.....	1,824,962	31,000	3,962	68	56,741	-----	82,994	1,688,171	50,016	21	-----	973	136,728
November.....	1,939,111	113,000	5,111	68	143,023	-----	29,863	1,801,331	1,014	781	-----	806	137,712
December.....	1,957,977	11,300	12,677	-----	12,819	21,509	30,826	1,804,833	1,452	14,698	1,016	1,733	153,144
1941													
January.....	1,995,108	29,000	20,808	12	68,204	-----	38,001	1,835,036	2,462	40	-----	3,085	* 160,061
February.....	2,100,651	113,000	13,351	12	145,649	-----	40,426	1,940,259	2,467	512	-----	2,659	160,381
March.....	2,092,339	—10,000	15,039	-----	13,141	54	34,042	1,919,412	0	15,064	5	2,522	172,928
April.....	2,126,553	40,000	9,253	106	66,517	-----	33,440	1,952,489	* 2,695	63	-----	1,728	173,958
May.....	2,263,477	137,000	9,177	106	166,135	-----	29,017	2,089,607	31	863	-----	1,088	173,764
June.....	2,283,658	18,700	10,658	-----	10,102	24,197	30,169	2,093,737	0	14,674	2,037	554	189,921

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance account in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Minus figures represent certificates redeemed.

³ Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate book accounts only in last month of each quarter.

⁴ Includes transfers to railroad unemployment insurance account.

⁵ Includes amounts certified by the Social Security Board to the Secretary of the Treasury in behalf of the State of Connecticut for payment into railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act.

⁶ Includes \$7.5 million transferred from railroad unemployment insurance administration fund in accordance with amendments of Oct. 10, 1940, to the Railroad Unemployment Insurance Act.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security

GENERAL

"Agency—Independent Contractor—Salesman Not Employee Under Workmen's Compensation Act [Utah]." *University of Chicago Law Review*, Chicago, Vol. 8, No. 4 (June 1941), pp. 753-756.

Discusses the Utah case of *Stover Bedding Co. v. Industrial Com'n.*, 107 P. 2d 1027, 1028 (Utah 1940), in which the court reversed an award by the State Industrial Commission under the Utah Workmen's Compensation Act.

CANADA. BUREAU OF STATISTICS. *Canada, 1941; The Official Handbook of Present Conditions and Recent Progress*. Ottawa: King's Printer, 1941. 186 pp.

Description of economic conditions in Canada, including a chapter on labor, unemployment insurance, relief, and old-age pensions.

COHEN, WILBUR J. "Simplifying Social Security Collections." *Social Security*, New York, Vol. 15, No. 6 (June-July 1941), pp. 3-4.

Discusses the relative merits of the stamp-book and payroll reporting systems of collecting social security taxes.

"Cost of Living of the Working Classes." *Journal of the Royal Statistical Society*, London, Vol. 104, Pt. I, 1941, pp. 53-58.

Comment on the recently published findings of the inquiry conducted by the British Ministry of Labour.

DE HAAS, J. ANTON. "The Democratic New Order." *Harvard Business Review*, New York, Vol. 19, No. 4 (Summer 1941), pp. 470-481.

Survey of a post-war new order including sections on long-term probabilities and responsibilities in the fields of labor and social security.

"Field Organization of the Railroad Retirement Board." *Monthly Review of the Railroad Retirement Board*, Washington, Vol. 2, No. 6 (June 1941), pp. 5-8. Processed.

GREAT BRITAIN. MINISTRY OF LABOUR AND NATIONAL SERVICE. *Handbook*. London, 1941. 20 pp.

A booklet "intended to provide in a concise, nontechnical form a summary of the main functions of the Ministry of Labour and National Service in time of war and to show how the work is divided between different Departments of the Ministry."

KINGSTON, ONTARIO. QUEEN'S UNIVERSITY. *Industrial Relations; Papers Presented at the Fifth Conference on Industrial Relations Sponsored by Queen's University, September 18-20, 1940*. Kingston: Industrial Relations Section, Queen's University, 1940. 48 pp.

Includes: The Present and Future Labour Supply, by Humphrey Mitchell; Trends in Company Benefit Plans for Employee Security, by Bryce M. Stewart; The Unemploy-

ment Insurance Act, 1940, by Gerald H. Brown; and Payroll Deductions, by J. S. Willis and W. R. Laughlen.

LINDER, LEO J. "Social Legislation and National Defense." *Lawyers Guild Review*, Washington, Vol. 1, No. 4 (June 1941), pp. 16-22.

A critical discussion of social legislation in the United States and recommended legislative amendments to permit the socially needy to live in "health and decency," by the Chairman of the National Committee on Social Legislation of the Lawyers Guild. Resolutions adopted by the recent national convention of the Guild concerning these and other matters appear on pages 63-68 of the same issue.

MOSHER, WILLIAM E., and KINGSLEY, J. DONALD. *Public Personnel Administration*. Revised edition. New York and London: Harper, 1941. 671 pp.

A comprehensive survey of public employment in the United States, with special attention to personnel practices and conditions of employment. Includes chapters on retirement and other benefits and on health and welfare conditions.

"1941 Marks Record Social Security Legislative Year." *Social Security*, New York, Vol. 15, No. 6 (June-July 1941), pp. 1 ff.

A review of State legislation in the fields of old-age assistance and unemployment compensation.

POGGE, O. C., and LETON, MERCIA. "When Sick Pay Constitutes 'Wages.'" *Economic Security Bulletin*, New York, Vol. 5, No. 6 (June 1941), pp. 9-10.

Explains the provisions of the Social Security Act concerning sick pay.

ROSA, ROBERT V. "A Multiplier Analysis of Armament Expenditure." *American Economic Review*, Menasha, Wis., Vol. 31, No. 2 (June 1941), pp. 249-265.

A discussion of the relation of defense finance to progressive stages of the labor market, from general unemployment to full employment. The author considers various measures, including increased pay-roll taxes under the Social Security Act, which might be used to direct savings into essential channels.

U. S. BUREAU OF HOME ECONOMICS. *Consumer Purchases Study, Farm Series—Family Food Consumption and Dietary Levels, Five Regions*. Washington: U. S. Government Printing Office, 1941. 393 pp. (U. S. Department of Agriculture, Miscellaneous Publication No. 405.)

U. S. BUREAU OF HOME ECONOMICS. *Consumer Purchases Study, Urban, Village, and Farm*. Washington: U. S. Government Printing Office, 1940-41. *Family Expenditures for Automobile and Other Transportation, Five Regions*. 272 pp. (U. S. Department of Agriculture, Miscellaneous Publication No. 415.) *Family*

Expenditures for Medical Care, Five Regions. 239 pp. (Miscellaneous Publication No. 402.) *Family Housing and Facilities, Five Regions.* 223 pp. (Miscellaneous Publication No. 399.)

U. S. BUREAU OF LABOR STATISTICS. *Money Disbursements of Employed Wage Earners and Clerical Workers in Twelve Cities of the South, 1934-36.* By Faith M. Williams and Alice C. Hanson, assisted by Genevieve B. Wimsatt. Washington: U. S. Government Printing Office, 1941. 700 pp. (U. S. Bureau of Labor Statistics, Bulletin No. 640.)

Presents information on the incomes, current expenditures, savings, and deficits of 2,710 white workers' families in 12 cities of the South, 858 Negro workers' families in 9 of those cities, and 100 Mexican families in Houston.

U. S. BUREAU OF LABOR STATISTICS. *Study of Consumer Purchases, Urban Technical Series—Family Expenditures in Selected Cities, 1935-36.* Washington: U. S. Government Printing Office, 1940-41. 8 vols. (U. S. Bureau of Labor Statistics, Bulletin No. 638, vols. 1-8.)

The volumes deal with housing, food, clothing and personal care, furnishings and equipment, medical care, travel and transportation, recreation, reading, formal education, tobacco, contributions, personal taxes, and changes in assets and liabilities.

OLD-AGE AND SURVIVORS INSURANCE

CORSON, JOHN J. "The Dentist and Social Security." *Journal of the American Dental Association*, Chicago, Vol. 28, No. 6 (June 1941), pp. 1007-1010.

Considers possible coverage of the self-employed professional by old-age and survivors insurance.

NEW YORK. DEPARTMENT OF AUDIT AND CONTROL. *Twentieth Report of the Comptroller on the Operation of the State Employees' Retirement System, Together With the Report of the Actuary on the Twentieth Valuation of Its Assets and Liabilities, Including an Investigation of the Mortality, Service, and Compensation Experience of Members, as of June 30, 1940.* Albany, 1941. 80 pp. (Legislative Document (1941) No. 44.)

UNITED LUTHERAN CHURCH IN AMERICA. *The Contributory Pension Plan . . . as Adopted by the General Convention, October 14, 1940.* Submitted by the Board of Ministerial Pensions and Relief. Philadelphia: Board of Ministerial Pensions and Relief, no date. 28 pp.

WASHINGTON (STATE) UNIVERSITY. BUREAU OF GOVERNMENTAL RESEARCH. *Police Relief and Pension Funds in the State of Washington.* Seattle: Bureau of Governmental Research, University of Washington, Feb. 1, 1941. 16 pp. Processed. (Report No. 46.)

EMPLOYMENT SECURITY

ATKINSON, H. C. "Should Unemployment Insurance Be Federalized?" *Economic Security Bulletin*, New York, Vol. 5, No. 6 (June 1941), pp. 4-5.

Presents reasons for holding that "Federalization is a despairing final resort, which we may seriously consider but surely not until and unless there has been a complete failure by the states in this program."

"Board Official Attacks Experience Rating." *Economic Security Bulletin*, New York, Vol. 5, No. 6 (June 1941), pp. 3-4.

Excerpts from an address by Ewan Clague before the Pennsylvania State Federation of Labor in Harrisburg, May 7, 1941.

BUCHANAN, MARGARET TERRY. *The Migration of Workers From Tennessee to Michigan.* Thesis (A. M.), Vanderbilt University. Nashville: Research and Statistics Section, Tennessee Unemployment Compensation Division, Dec. 1, 1940. 65 pp. Processed.

BUREAU ON JEWISH EMPLOYMENT PROBLEMS, CHICAGO. *What Price Employment Barriers; Report of Activity, 1938-1940.* Chicago: Bureau on Jewish Employment Problems, 1941. 24 pp.

COLOMBAIN, M. "Land Tenure and Agricultural Unemployment in the United States; The Work of the Farm Security Administration." *International Labour Review*, Montreal, Vol. 43, No. 6 (June 1941), pp. 645-686.

"Commencement of Unemployment Insurance in Canada." *Labour Gazette*, Ottawa, Vol. 41, No. 6 (June 1941), pp. 633-638.

Describes the plan which began operation July 1, 1941; summarizes regulations and administrative rulings; and gives the text of a radio address on the subject by Norman A. McLarty, Canadian Minister of Labor.

"The Dress Industry Placement Unit; Experiment in Servicing Organized Labor and an Organized Industry." *Employment Review* (New York State Department of Labor), Albany, Vol. 3, No. 2 (February 1941), pp. 63-70. Processed.

ELLISON, J. ROY. *The Answer to Unemployment.* Portland, Oreg.: Studio Publishing Company, 1941. 187 pp.

Advocates the replacement of all existing taxes, including those under the Social Security Act, by a production tax, or "Protax," to be assessed against all industries "in proportion to the relative importance of the machinery employed in that industry as compared with human labor."

GRAHAM, JAMES J. "Unemployment Compensation Changes." *Monthly Bulletin of the Employment Security Division*, Hartford, Conn., Vol. 6, No. 6 (June 1941), pp. 1-2.

Summarizes important recent amendments to the Connecticut Unemployment Compensation Law.

GRANGER, LESTER B.; SOBEL, LOUIS H.; and WILKINSIN, WILLIAM H. H. *Toward Job Adjustment; With Specific Reference to the Vocational Problems of Racial, Religious and Cultural Minority Groups.* New York: Welfare Council of New York City, 1941. 78 pp.

Discusses the vocational problems of minority groups, the role and techniques of the employment interviewer in helping to overcome job discrimination, and organized efforts on behalf of minorities. Prepared under the direction of the Committee on Minority Groups of the Section on Employment and Vocational Guidance, Welfare Council of New York City.

GREAT BRITAIN. UNEMPLOYMENT INSURANCE STATUTORY COMMITTEE. *Reports . . . on the Financial Condition of the Unemployment Fund on the 31st December 1940.* London: Stationery Office, 1941. 14 pp. (House of Commons Paper 65, 1941.)

Analysis of the 1940 fiscal status of the general and agricultural unemployment funds of Great Britain, with a section on the unemployment fund under war conditions.

GUTH, GEORGE W. "States' Rights vs. Federalization in Unemployment Compensation." *Economic Security Bulletin*, New York, Vol. 5, No. 6 (June 1941), pp. 1-2 ff.

Critical comment on present practices and proposed plans which tend to limit State sovereignty in the field of unemployment compensation.

HAFNOR, E. A. "New Benefit Laws." *South Dakota Unemployment Compensation Comments*, Aberdeen, Vol. 2, No. 6 (June 1941), pp. 3-4. Processed.

An explanation of 1941 South Dakota unemployment compensation amendments affecting benefits.

ILLINOIS. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT COMPENSATION. *An Explanation of Employers' Duties Under the Illinois Unemployment Compensation Act.* Revised. Chicago, Apr. 15, 1941. 39 pp.

INTERNATIONAL LABOR OFFICE. *Labour Supply and National Defence.* Montreal: International Labor Office, 1941. 245 pp. (Studies and Reports, Series C (Employment and Unemployment) No. 23.)

A study, prepared by Pierre Waelbroeck and Elizabeth Mayer of the International Labor Office, analyzing the problems and describing the policies referring directly to the regulation, distribution, and mobilization of labor supply in many of the belligerent nations and in the United States. Part I, Problems of Labour Supply, discusses allocation of manpower between armed forces and industry, employment control, vocational adaptation of the labor supply, and the mobilization of labor reserves. Part II, Problems of Information and Organisation, describes the measures taken to obtain adequate labor-market information and the various national administrative organizations charged with maintaining industrial manpower.

JOY, ARYNESS. "The Meaning of Unemployment Statistics." *Journal of the American Statistical Association*. Washington, Vol. 36, No. 214 (June 1941), pp. 167-174.

Advocates new statistical methods for estimating unemployment, including direct monthly sampling such as the WPA now uses, a comprehensive census of population

confined to a few basic questions once every five years, and large sample enumerations by the Census Bureau once every two years.

"Labour Conditions in Occupied Norway." *International Labour Review*, Montreal, Vol. 43, No. 6 (June 1941), pp. 687-700.

LISS, SAMUEL. "Farm Migrants in New Jersey." *Land Policy Review*, Washington, Vol. 4, No. 6 (June 1941), pp. 29-37.

"Master and Servant—Unemployment Insurance—Unemployment Due to a Labor or Trade Dispute." *Minnesota Law Review*, Minneapolis, Vol. 25, No. 7 (June 1941), pp. 956-958.

A note on *Bodinson Mfg. Co. v. Calif. Empl. Comm.*, Cal. 1941, 109 P (2d) 935, disqualifying employees from benefits for the period of unemployment due to a labor dispute.

MYERS, HOWARD B. "Dynamics of Labor Supply." *Journal of the American Statistical Association*, Washington, Vol. 36, No. 214 (June 1941), pp. 175-184.

Discusses short-term trends in the labor market as revealed by the WPA *Monthly Report of Unemployment*, which since January 1940 has been based upon direct interviews with a cross section of the total population.

NEW JERSEY. UNEMPLOYMENT COMPENSATION COMMISSION. *Explanation of the Contribution and Reporting Provisions of the New Jersey Unemployment Compensation Law and Regulations.* Trenton, Apr. 15, 1941. 7 pp.

NEW YORK STATE. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT INSURANCE. *Partial Unemployment; Administrative Studies of Unemployment Insurance and of the Inter-Relation of Partial and Total Unemployment Benefits.* Albany, 1941. 311 pp. (Placement and Unemployment Insurance Series, Special Bulletin No. 3.)

Analyzes initial experience in the field of unemployment compensation in the United States, including a number of special State studies, describes the operation of unemployment insurance in New York, and notes foreign experience. Also contains the *Second Report on Partial Unemployment*, submitted February 1, 1939, by a committee consisting of Herman A. Gray, Marion B. Folsom, and George Meany, and the committee's *Report on Partial Unemployment, 1940*. Includes a bibliography, a glossary of terms, and the reports of the industrial commissioner to the legislature in 1939 and 1940.

OHIO. BUREAU OF UNEMPLOYMENT COMPENSATION. STATE ADVISORY COUNCIL. *Reports: Unanimous Report, February 26, 1941; Supplementary Report of Two Public Members, April 10, 1941; Supplementary Report of Two Public Members, April 15, 1941.* Columbus, 1941. 25 pp. Processed.

Recommendations to the Governor of Ohio, the General Assembly, and the Administrator for amendments of the State unemployment compensation law.

PIETZ, L. A. "Benefit Claims." *South Dakota Unemployment Compensation Comments*, Aberdeen, Vol. 2, No. 5 (May 1941), pp. 3-7. Processed.

PIETZ, L. A. "The Pooled Account." *South Dakota Unemployment Compensation Comments*, Aberdeen, Vol. 2, No. 6 (June 1941), pp. 6-8. Processed.

An analysis of the status of the South Dakota pooled fund for unemployment compensation, in the light of 1941 amendments "guaranteeing the solvency of the pooled account by authorizing withdrawals from the employers' reserve accounts."

SCHMIDT, EMERSON P. "Experience Rating and Benefit Payments in Unemployment Compensation." *Economic Security Bulletin*, New York, Vol. 5, No. 6 (June 1941), pp. 6-7.

Maintains, by the use of Wisconsin data, that experience-rating provisions do not result in excessive contesting of benefit claims by employers, and undertakes to show that there is no essential contradiction between experience rating and the payment of adequate benefits.

"The State's Industry and Its Workers; What the Records of the Department of Labor Show." *Employment Review* (New York State Department of Labor), Albany, Vol. 3, No. 2 (February 1941), pp. 56-62. Processed.

Points of interest concerning the pattern and current problems of industry and employment in New York State, with a description of the sources of information within the State Department of Labor.

TODD, JOSEPH A. "Appeals and Judicial Review Under the Mississippi Unemployment Compensation Law." *Mississippi Law Journal*, University, Miss., Vol. 13, No. 4 (May 1941), pp. 501-512.

TODD, JOSEPH A. "Provisions for Appeal and Judicial Review of Unemployment Compensation Decisions." *Louisiana Law Review*, University, La., Vol. 3, No. 4 (May 1941), pp. 777-793.

U. S. WORK PROJECTS ADMINISTRATION. NEW YORK STATE. *Analysis and Report on a Survey of the Albany Labor Market*. Ellery B. Gordon, Analyst. Albany: City of Albany, April 1941. 335 pp. Processed.

A comprehensive statistical analysis showing what proportion of the residents of Albany were or were not in the labor market, reasons for not being in the labor market, and the work status of available workers classified by personal, social, and economic characteristics.

WATERS, LAWRENCE LESLIE. "Transient Mexican Agricultural Labor." *Southwestern Social Science Quarterly*, Baton Rouge, Vol. 22, No. 1 (June 1941), pp. 49-66.

A brief history and survey of the position of transient Mexican agricultural labor, with comment on the possibility of extending the Social Security Act to agricultural laborers.

WOLFE, BERTRAM D. "The Silent Soviet Revolution." *Harper's Magazine*, New York, Vol. 183, No. 1093 (June 1941), pp. 10-18.

Describes increasing labor-market controls and some of their consequences in the U. S. S. R.

PUBLIC WELFARE AND RELIEF

"Analysis of Employee Time in the Oklahoma Department of Public Welfare." *Public Welfare Review*, Oklahoma City, Vol. 4, No. 2 (January 1941), pp. 2-7.

BENJAMIN, PAUL L. "The Way to Public Understanding." *Survey Midmonthly*, New York, Vol. 77, No. 6 (June 1941), pp. 174-175.

Discusses what social workers and organizations can do to secure better public understanding of their work.

BIRD, DOROTHY G. "How Relief Affects Parent-Child Relationships." *The Family*, New York, Vol. 22, No. 4 (June 1941), pp. 117-122.

COLBY, MARY RUTH. *Problems and Procedures in Adoption*. Washington: U. S. Government Printing Office, 1941. 130 pp. (U. S. Children's Bureau, Publication No. 262.)

A study of adoption procedures in Alabama, California, Massachusetts, Minnesota, New Mexico, North Dakota, Oregon, Rhode Island, and Wisconsin during 1934 "to show the extent to which the safeguards . . . set up by legislation or through administration had been effective."

"Community Organization." *Tennessee Public Welfare Record*, Nashville, Vol. 4, No. 6 (June 1941), p. 1.

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"Distribution of State Aid Among Counties." *Public Welfare Bulletin*, Bismarck, N. D., Vol. 6, No. 5 (May 1941), pp. 1-6. Processed.

Analyzes the current relief situation in North Dakota in the light of recent cuts in legislative appropriations.

DUNN, LOULA. "People, Politics, and Public Welfare." *Alabama Social Welfare*, Montgomery, Vol. 6, No. 7 (July 1941), pp. 9-12.

FIELD, MARSHALL, III. "A Layman Looks at Public Welfare." *Public Welfare News*, Chicago, Vol. 9, No. 6 (June 1941), pp. 1-4. Processed.

FISHER, JACOB. "Running Out on the Needy." *Social Work Today*, New York, Vol. 8, No. 9 (June-July 1941), pp. 17-18 ff.

Discusses the relief problem during the current period of industrial expansion for defense.

GILLET, CORINNE FRAZIER. "The WPA and the Blind." *Outlook for the Blind*, New York, Vol. 25, No. 3 (June 1941), pp. 114-116.

A review of surveys, eye-testing projects, and vocational rehabilitation work for the blind under the auspices of the WPA.

HAMILTON, GORDON. "The Underlying Philosophy of Social Case Work." *The Family*, New York, Vol. 22, No. 5 (July 1941), pp. 139-147.

JACKSON, GLENN E. "New York State's Settlement Laws." *Social Work Today*, New York, Vol. 8, No. 9 (June-July 1941), pp. 15-16 ff.

Analyzes the problem of settlement in relation to eligibility for public aid.

LENROOT, KATHARINE F. "A Democracy's Responsibility to Its Children." *Pennsylvania Social Work*, Harrisburg, Vol. 8, No. 1 (July 1941), pp. 3-8.

A review of past and present child welfare needs, with emphasis on the findings of the 1940 White House Conference on Children in a Democracy.

LE VIEN, MARGARET, and BRODSKY, IRVING. "Trenton Organizes for Defense." *Social Work Today*, New York, Vol. 8, No. 9 (June-July 1941), pp. 11-14.

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LOUISIANA. STATE DEPARTMENT OF PUBLIC WELFARE. *Public Welfare in Louisiana*. Baton Rouge, 1941. 23 pp.

"A handbook on public welfare administration in the State, with a brief explanation of the organization, functions, services, and legal responsibilities of the Louisiana Department of Public Welfare."

MARCUS, GRACE F. "Changes in the Theory of Relief-Giving." *Social Work Today*, New York, Vol. 8, No. 9 (June-July 1941), pp. 6-9 ff.

Discusses the effects of public assistance developments upon case work.

McNUTT, PAUL V. "Public Welfare and National Defense." *Public Welfare in Indiana*, Indianapolis, Vol. 51, No. 6 (June 1941), pp. 3-4.

Sets forth reasons why the national defense program "presents an unparalleled opportunity for the advancement of public welfare work and the permanent improvement of our social condition."

"The National Conference of Social Work." *Public Welfare News*, Chicago, Vol. 9, No. 6 (June 1941), pp. 6-8. Processed.

Summarizes some of the principal addresses at the Atlantic City conference, and reports on the sessions of the American Public Welfare Association at the conference and on the meetings of the section on public welfare administration. Contains accounts of the sessions of the National Council of State Public Assistance and Welfare Administrators, and of the meeting of the National Council of Local Administrators, both held in Chicago in May.

Bulletin, August 1941

"National Defense at the 'Grass Roots.'" *Public Welfare in Indiana*, Indianapolis, Vol. 51, No. 6 (June 1941), pp. 11-15.

Illustrated accounts by Indiana county welfare directors of "the imprint made upon their communities by defense projects, the demands upon their departments and the ways in which they are rallying to meet these new and challenging responsibilities."

NEW YORK CITY. DEPARTMENT OF WELFARE. *Annual Report, 1939-1940*. New York, no date. 146 pp.

NORTH DAKOTA. RELIEF AND DEBT SURVEY COMMISSION. *Final Report, January 1, 1941*. Place not given, 1941. 22 pp. Processed.

Recommendations of a body created in 1938 to make a survey of relief needs, old-age pensions, and local finance.

NOYA, LIGIA L. "Child Welfare Services and the Federal 'Juvenile Delinquents.'" *Puerto Rico Health Bulletin*, San Juan, Vol. 5, No. 6 (June 1941), pp. 151-155.

OWEN, A. D. K. "The End of the Household Means Test in Great Britain." *International Labour Review*, Montreal, Vol. 43, No. 6 (June 1941), pp. 627-644.

Traces the background of the means-test controversy in Great Britain from 1921 to 1931, describes its differing aspects during the 1930's, and discusses the 1941 modifications in the law.

PENNSYLVANIA. DEPARTMENT OF WELFARE. RURAL CHILD WELFARE UNIT. *New Opportunities for Public Services to Dependent and Neglected Children in Rural Counties Through Federal Assistance*. Revised. Harrisburg, Jan. 1, 1941. 12 pp. Processed.

RICE, LOUISE. "Effective Organization of Social Forces in Small Towns." *Alabama Social Welfare*, Montgomery, Vol. 6, No. 7 (July 1941), pp. 4-5.

SPRINGER, GERTRUDE, and CLOSE, KATHRYN. "Priorities on the Social Front." *Survey Midmonthly*, New York, Vol. 77, No. 7 (July 1941), pp. 203-217.

Illustrated review of the annual meeting of the National Conference of Social Work, at Atlantic City, June 1-7.

U. S. BUREAU OF LABOR STATISTICS. *Homes for Aged in the United States*. Washington: U. S. Government Printing Office, 1941. 126 pp. (Bulletin No. 677.)

A comprehensive report—"undertaken for the use of the Social Security Board, of social workers dealing with the placement of elderly people, and also of aged persons interested in finding a home"—summarizing data from 1,339 of the 1,428 "active homes" for old persons in the United States. Includes a "substantially complete" directory which gives the entrance requirements, fees, and capacity of each institution.

WALLACE, EDWIN W. *Veterans' Benefits; Post Welfare Officer's Guide*. New York: Veterans of Foreign Wars, Department of New York, 1941. 116 pp.

"The intent of this manual is to provide the post welfare or service officer, or the inquiring veteran, with information in regard to public and private social welfare resources, with procedures and suggestions as to how these

agencies may be used for the benefit of veterans and their dependents when in need. . . ."

YOUNG, PAULINE V. *Social Case Work in National Defense; A Cultural Approach to the Problems of Enlisted Men and Their Families*. Introduction by Fred K. Hoehler. New York: Prentice-Hall, 1941. xxx, 292 pp.

Reviews the principal case work processes and objectives, including application and intake, case histories, interviewing, recording, and such broader topics as the cultural approach to social case work, the social reconditioning process, diagnosis, and insight, used in dealing with "persons and families who cannot meet unaided the problems incidental to national defense and who cannot make satisfactory adjustments to the exigencies of the present program."

HEALTH AND MEDICAL CARE

"Federal Grants to States for Public Health Work; An Analysis by the Bureau of Legal Medicine and Legislation." *Journal of the American Medical Association*, Chicago, Vol. 117, No. 3 (July 19, 1941), pp. 204-205.

GOLDMANN, FRANZ. "Medical Care for Employees." *Personnel Journal*, New York, Vol. 20, No. 2 (June 1941), pp. 66-71.

Describes the principal characteristics and some statistical findings of two company plans of health care.

"Health Insurance in Saskatchewan; Survey of Rural and Urban Medical and Hospitalization Plans." *Ministry of Labour Gazette*, Ottawa, Vol. 41, No. 6 (June 1941), pp. 639-641.

ILLINOIS. COMMISSION FOR PHYSICALLY HANDICAPPED CHILDREN. *A Note on the Illinois Commission for Physically Handicapped Children*. Chicago, February 1941. 4 pp. Processed.

ILLINOIS. COMMISSION FOR PHYSICALLY HANDICAPPED CHILDREN. *Some Unmet Needs of Physically Handicapped Children in Illinois*, by Lawrence J. Linek, Executive Secretary. Chicago, 1940. 18 pp. Processed.

NEW JERSEY. DEPARTMENT OF INSTITUTIONS AND AGENCIES. STATE COMMISSION FOR THE BLIND. *Service to the Blind, and Visually Handicapped in New Jersey*. Newark, January 1941. 22 pp.

OFFICE, HAROLD W., and HILLENBRAND, HAROLD. "The Public Dental Health Program From the Viewpoint of the Dentist in Private Practice." *Journal of the American Dental Association*, Chicago, Vol. 28, No. 5 (May 1941), pp. 719-725.

PRYLL, WALTER. "Some Remarks on Sickness Insurance." *Public Affairs*, Halifax, N. S., Vol. 4, No. 4 (Summer 1941), pp. 203-204.

Arguments in favor of health insurance, with special reference to the United States.

REED, LOUIS S., and CLARK, DEAN A. "Appraising Public Medical Services." *American Journal of Public Health*, New York, Vol. 31, No. 5 (May 1941), pp. 421-430.

Sets forth standards for evaluating tax-supported medical services for the needy, and recommends Federal aid to the States for such services.

U. S. CHILDREN'S BUREAU. *Maternity Care at Public Expense in Six Counties in New York State, July 1, 1935-June 30, 1936*. Washington: U. S. Government Printing Office, 1941. 85 pp. (Bureau Publication No. 267.)

Data for 6 unnamed New York counties concerning "patients receiving maternity care at public expense . . . expressed in terms of the number of visits and the length of the period during which patients received medical or nursing care in their own homes or in hospitals."